



RIO DELL CITY COUNCIL AGENDA
CLOSED SESSION – 6:00 P.M.
REGULAR MEETING - 6:30 P.M.
TUESDAY, NOVEMBER 6, 2018
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

WELCOME - By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.



In compliance with the American with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting. Assistance listening devices are now available for the hearing impaired. Please see the City Clerk for a receiver.

- A. CALL TO ORDER
- B. ROLL CALL
- C. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION
AS FOLLOWS:
 - 1) 2018/1106.01 – **Conference with Labor Negotiator – City Manager**
Rio Dell Employees Association, Rio Dell Police Officers
Association and all Contract Employees (Pursuant to Gov't
Code §54957.6)
- D. PUBLIC COMMENT REGARDING CLOSED SESSION
- E. RECESS INTO CLOSED SESSION
- F. RECONVENE INTO OPEN SESSION – 6:30 P.M.
- G. ORAL ANNOUNCEMENTS
- H. PLEDGE OF ALLEGIANCE

I. CEREMONIAL MATTERS

- 1) 2018/1106.02 - Proclamation Declaring November as National American Indian Heritage Month 1

J. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

K. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council embers if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS"

- 1) 2018/1106.03 - Approve Minutes of October 16, 2018 Regular Meeting
(ACTION) 3
- 2) 2018/1106.04 - Approve Resolution No. 1404-2018 Adopting a Travel Expense Reimbursement Policy (ACTION) 17
- 3) 2018/1106.05 - Approve Resolution No. 1405-2018 Adopting an Amended Salary Table for the position of Wastewater Superintendent (ACTION) 27

L. ITEMS REMOVED FROM THE CONSENT CALENDAR

M. REPORTS/STAFF COMMUNICATIONS

- 1) 2018/1106.06 - City Manager/Staff Update (RECEIVE & FILE) 29

N. SPECIAL PRESENTATIONS/STUDY SESSIONS

- 1) 2018/1106.07 - Presentation on Potter Valley Project (RECEIVE & FILE) 35
- 2) 2018/1106.08 - Presentation by LAFCo on Draft Municipal Services Review (MSR) (RECEIVE & FILE) 75

O. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

P. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- 1) 2018/1106.09 - Second Reading (by title only) and Adoption of Ordinance
No. 371-2018 Establishing Vacation Dwelling Regulations,
Section 17.30.335 of the Rio Dell Municipal Code (RDMC)
(DISCUSSION/POSSIBLE ACTION) 120

Q. COUNCIL REPORTS/COMMUNICATIONS

R. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, November 20, 2018 at 6:30 p.m.*

675 Wildwood Avenue
Rio Dell, CA 95562



STAFF REPORT

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Karen Dunham, City Clerk

DATE: November 6, 2018

SUBJECT: Proclamation Declaring November as National
American Indian Heritage Month

RECOMMENDATION

Read and present the Proclamation declaring November as National American Indian Heritage Month.

BACKGROUND AND DISCUSSION

Virginia Howard Mullan, from the Daughters of the American Revolution Eel River Valley Chapter, requested the proclamation be placed on the agenda. She, along with other members of the organization will be present at the meeting to accept the proclamation.

ATTACHMENTS: Proclamation

NATIONAL AMERICAN INDIAN HERITAGE MONTH

Whereas, the history and culture of our great nation have been significantly influenced by American Indians and indigenous peoples; and

Whereas, the contributions of American Indians have enhanced the freedom, prosperity, and greatness of America today; and

Whereas, the time has come to stop suppressing the memories of crimes committed against American Indians by the seizing and occupying of their land; and

Whereas, their customs and traditions which were once repressed but are now respected and celebrated as part of a rich legacy throughout the United States; and

Whereas, Native American Awareness Week began in 1976 and recognition was expanded by Congress and approved by President George Bush in August 1990, designating the month of November as National American Indian Heritage Month; and

Whereas, in honor of National American Indian Heritage Month community celebrations as well as cultural, artistic, educational, and historical activities have been planned throughout the nation;

Now Therefore, we the City Council of the City of Rio Dell do hereby proclaim November 2018 as National American Indian Heritage Month in the City and urge all our citizens to observe this month with appropriate programs, ceremonies, and activities.

Dated this 6th day of November, 2018

Frank Wilson, Mayor

**RIO DELL CITY COUNCIL
REGULAR MEETING
OCTOBER 16, 2018
MINUTES**

Mayor Wilson called the regular meeting of the Rio Dell City Council to order at 6:30 p.m. at the Monument Middle School Multi-Purpose Room.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks, and Strahan

Others Present: City Manager Knopp, City Clerk Dunham and City Attorney
Russ Gans

Absent: Finance Director Kerrigan, Chief of Police Conner,
Community Development Director Caldwell, Wastewater
Superintendent Purvis, and Water/Roadways Superintendent
Jensen (excused)

PUBLIC PRESENTATIONS

Nick Angeloff provided an update on Chamber of Commerce business and thanked Root 101 for ordering the 16-foot Silvertip Christmas Tree for the downtown. He reminded everyone that they would be hanging up shooting stars along Wildwood Avenue and that they were still for sale to the businesses for \$250.00. The proceeds from those sales would be used to purchase more Christmas decorations.

CONSENT CALENDAR

Motion was made by Johnson/Garnes to approve the Consent Calendar including approval of the minutes of the October 2, 2018 regular meeting, and to receive and file the check register for September 2018. Motion carried 5-0.

REPORTS/STAFF COMMUNICATIONS

City Manager/Staff Update

Mayor Wilson asked if there were any questions regarding the staff update as presented. No questions or comments were received.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Discussion on DANCO Permanent Supportive Housing Project

Mayor Wilson began by reviewing the order of the discussion and said the purpose of the hearing is to have a discussion on the DANCO Permanent Supportive Housing Project and share information. He said that the Council would first hear from staff, the project proponent and then open the discussion up for public comment. He noted that any member of the public that would like to address the Council regarding this matter, would need to complete a Speaker

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Card and provide it to the City Clerk. He asked everyone's help to make it an orderly meeting by respecting the speakers and remaining silent while a speaker has the floor.

It was then turned over to the City Manager to provide a staff presentation.

City Manager Knopp began by providing some clarifications about the project and said that this is not a City project; it is not a project that the City Council asked for or a project that staff sought out. He reiterated that although the City has not received an official proposal or application from DANCO, the City wanted to share information and be as transparent as possible through this process. The goal of this hearing is to relay correct facts to the community and have the proponents hear the concerns of the community. He pointed out that Chris Dart, President of DANCO, has been attending City Council meetings since August 7, 2018 discussing the project and is present again tonight as a good faith gesture.

Provided as a separate handout for the public, was a 31-page Briefing Paper and FAQ on the proposed housing project.

City Manager Knopp commented that one of the major pieces of content in the handout has to do with changes in housing laws. He said as a result of California facing a statewide housing crisis and the elevation of plight of homeless throughout the state, that the legislature enacted numerous pieces of housing legislation to address the problems. Over the past several years, the State's focus has been aimed toward spending more tax dollars on housing, particularly low-income housing and to remove control from local jurisdictions related to housing. He said cities are mandated to remove land use barriers to Permanent Supportive Housing and allow it to be a use "by right" in zones where multi-family and mixed uses are permitted.

He noted that the handout also includes an architectural rendering of the proposed project as well as answers to frequently asked questions (FAQ's). In addition, it provides general reading material regarding what the State legislature is doing on a broader scale, regardless if the City Council views it as negative or positive project.

City Attorney Russ Gans commented on a couple of things and pointed out that there is no application pending for the City Council to review and until such time there is a pending project application, the City cannot make a determination or process any potential application. Another point he wanted to make is that State law has basically preempted local government action with respect to Permanent Supportive and Transitional Housing projects. They have essentially mandated that these uses be permitted in multi-family residential zones so that they are considered a use "by right." He said that it is important for everyone to bear in mind the hierarchy in that local government cannot make decisions in conflict with State law, noting that the State has been very clear in their mandate.

Mayor Wilson then turned the discussion over to Chris Dart from DANCO to address the Council regarding the project.

Mr. Dart described the project once again as Permanent Supportive Housing including 25 cottage style residential units with a manager's unit and common space for such things as group gatherings, computer room, lounge, exercise room, counselor rooms, or space for other activities. He noted that there would be 22 one-bedroom units and 4 two-bedroom units, one of which is reserved for the on-site manager. The target population for the housing will be homeless or people at risk to become homeless, or those who are unable to maintain housing stability without supportive services.

He explained that the project originally started out as a low-income senior housing project however; State funding started to dissipate for that type of low-income housing and funds became geared more toward extremely low-income housing projects such as Permanent Supportive Housing. He recognized the need for low-income senior housing and low-income family housing but it is difficult to get funding for those types of projects. He said that with the help of California Tax Credits, they were able to put together a financially feasible project.

Mr. Dart commented that the Briefing Paper and FAQ was put together very well and addresses the concerns of the community. He assured everyone that the project would not be a drug and alcohol halfway house but a multi-family housing development with a target population on those in need of supportive services. He added that he is present to listen to the concerns of the City Council and the community and to answer questions.

Mayor Pro Tem Johnson noted that the project timeline was discussed at a prior meeting but there were not many citizens present and asked Mr. Dart to provide a review of the anticipated timeline.

Mr. Dart indicated that the State has an aggressive timeline, which mandates them to begin construction within 180 days after funding is approved. He said they expect to break ground in March or April 2019 with completion of construction toward the end of 2019 or beginning of 2020.

Councilmember Strahan commented that DANCO is a private company and asked if it is a private, state, federal or county (DHHS) project.

Mr. Dart identified it as a public-private project under a limited partnership. He explained that the developer applies for tax credits and sells them to a fortune 500 company; in this case an investment company in Redding (CROC). He said that DHHS is really the financing organization since they refer clients and pay a portion of the rents. He added that the partnership health grant loans the money to DHHS to facilitate the program.

Councilmember Strahan asked if this is why the City gets nothing in the way of taxes from the project.

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Mr. Dart explained that public housing has been going on for years and that DANCO has some of the best-maintained housing projects around. He said having private management and public financing is a good combination and common structure for these types of housing projects.

Councilmember Strahan pointed out that there is a low-income housing complex in the City that is well managed.

Mr. Dart indicated that DANCO works with the same partnership that the 49-unit apartment complex works with.

Mayor Wilson asked Sally Hewitt if she had anything to add on behalf of the Department of Health and Human Services (DHHS).

Ms. Hewitt provided a brief recap of the information provided at the last meeting and said there are medical benefits associated with Permanent Supportive Housing in that there is less healthcare costs associated with people who are housed. In working with the Healthcare Partnership, they began to recognize that if they pay a portion of the rent for people who cannot afford it and get them in decent housing, healthcare costs stay low. She noted that they have been doing these types of projects for four years in Eureka so they have data to back it up. She also noted that the data also showed that the number of visits to Sempervirens Mental Health Facility dropped 63% from the prior two-year period once people were housed.

She noted that case workers will visit clients in the facility as often as necessary to provide in-home services and the property manager can call them anytime of the day or night if someone needs help. She said that in Eureka, they found that clients needed their help a lot in the beginning then it gradually lessened to where they did not need them at all. She said the clients would be monitored as long as they are living at the facility and people with mental illness are often healed. She said that they would make every effort to place homeless or people with mental illness from Rio Dell in the facility first.

Mayor Wilson referred to a question he saw on social media and asked Ms. Hewitt to review the three criteria needed to qualify for housing.

Ms. Hewitt indicated that the residents would have to income qualify by having incomes at or below 40% of the average median income and meet the criteria of being in need of permanent supportive housing including homeless, those at risk of becoming homeless living in sub-standard housing, veterans, seniors and persons with mental illness or physical disabilities. In addition, those people who have Section 8 but do not have anywhere to use it would qualify, as well as anyone on MediCal. She pointed out that 46.2% of Rio Dell residents are receiving MediCal benefits.

She explained that with a monthly SSI benefit of \$907/month, a person could not pay \$800/month for rent. With the help of the Partnership Health Plan, the Department of Health

and Human Services (DHHS) subsidizes the rent so that DANCO receives fair market value for each of the units.

Mayor Wilson announced that the Council would receive comments from the members of the public and any other interested persons. The City Clerk passed the speaker cards to the Mayor. Speakers were called up to speak in the order the speaker cards were received.

Greg Rumney, 720 Rigby Ave. addressed the Council and said he resided at ground zero with relation to the proposed project site. He expressed concern that there are a lot of children that live on that street and that they refer to him as the "Mayor of Rigby." He said that there is already a traffic problem there and the project will make it even worse. He said if the plan is to house more people with mental disabilities then he does not want to live there. He indicated that the police department responds to 5-6 calls/week on one resident in the neighborhood that has mental issues and the proposed project would place additional burden on an understaffed department.

He said the worst thing that he is currently dealing with is the bus stop being located in front of his house and described some of the inappropriate incidents that occur on a daily basis. He said he would like to see the bus stop moved to a different location.

He added that he is all for low-income senior housing but not the type of housing proposed. He said that he is proud of the City and the Police Department but they are understaffed and this project is not a good fit for the City.

Bryan Richter said he was frustrated with being told that the City must allow this development. He expressed concern that the City will be receiving little or no revenue from the development and that it will place even more burden on the City's aging water and wastewater systems. He pointed out that the City is already unable to maintain the infrastructure without help from the state and asked if DANCO would be required to do any upgrades. He said the other concern is the impact on the streets due to additional traffic. He added that real estate is at a premium but the City is land locked. If the City is not going to receive tax revenue, what good is the development?

Ann Parker presented statistics from the Humboldt County Office of Education, *California Longitudinal Pupil Achievement Data System Homeless Data Dashboard* from the school years 2013-2018. She noted that during the 2017/2018 school year, 1,571 students in Humboldt County were identified as homeless; 301-500 of which were in the Central Region of the County, which includes Bridgeville, Carlotta, Ferndale, Fortuna, Hydesville, Kneeland, Loleta, Rio Dell and Scotia.

She commented that developers such as DANCO are getting funding from the Department of Housing and Urban Development (HUD) for the type of housing projects DANCO is proposing but maybe it is time to vote to get some legislation reversed. She said she would like to see

DANCO get some other type of grant to help children grow up to become productive members of the community.

Kaleen Fisher commented that DANCO is saying that the facility is not a halfway house or drug rehab facility yet they are proposing to fence the entire complex. In addition, they claim that they are taking all the risk. She said that they should be because they are getting all the money. She noted that she feels the City is the one that is taking the risk. She asked who will be maintaining the property and asked the City Attorney if "state mandated" means that citizens have no say regarding the project. She pointed out that Community Development Director Caldwell completed the form from the Tax Allocation Committee without indicating the City was "extremely supportive" of the project without any knowledge or input from the City Council and questioned the chain of command in the City. She said it appears that he does something, informs the City Council after the fact, the City Council then informs the public. She said that she would like to see other DANCO housing developments. She said that this project scares her to death because she works in Old Town Eureka and faces the fear of being accosted every day by the homeless population. In summary, she said she wants answers, wants to see other DANCO housing projects of this type, and wants to know if citizens have any voice in the decision making process.

Kathleen Kemp commented that the City has a volunteer fire department that provides emergency services to the community. She said that they are short-handed during the day because a majority of the firefighters works out of town. She expressed concern regarding the burden the project will have on the fire department and noted that if someone has a heart attack at the facility; it will be the fire department that responds to the emergency, not DHHS.

Lisa Wilson commented that the fire department has 28 volunteers and has responded up to 150 calls in a single month.

Jessica Beyer stated that her son has a mental disability and asked what the process would be for him to apply for housing.

Susan Nessen said that she heard about the proposed project about a month ago, called the City Manager and he said the project was for low-income seniors. In reading the description of the project, it says that the target population is low-income people in need of permanent supportive housing, including homeless veterans and seniors, and people with mental illness and/or substance abuse problems. She commented that Chris Dart (DANCO) did not mention anything about people with substance abuse problems.

She told a story about her nephew that had brain damage from a fall, got messed up on drugs, and was homeless. She took him into her home and tried to help him but after a while could not take it anymore because of all the problems he caused. She said she loved him but simply could not take care of him and that Rio Dell does not have the support services needed to take care of people with these types of issues.

Peggy Patmore felt there should be a study done to identify the impacts the facility could have on the City, particularly with regard to the police department and fire department. She suggested the study include other communities such as Eureka where similar facilities are located to obtain data on the number of calls for service the police and fire department receives from these facilities.

She thanked the City Council for providing the information packet and referred to pages 4-5 of the handout with contact information of local state and federal representatives. She suggested citizens not under estimate what they could do and that they can make sure their opinions are heard.

She noted that the property was purchased by DANCO quite some time ago and that she would welcome another type of housing project such as homes that would generate revenue for the community. If DANCO does not want to do that, they could sell the property to someone else.

George Patmore said at the last meeting, he asked a question regarding how this project would affect property values in Rio Dell; the answer provided by DANCO was "I have no idea..." which is not really the answer he wanted, suggesting there be a better answer provided. He asked what affect the project would have on the quality of life for the current residents and if he would have to guard his possessions. He said that he tries to not judge homeless people and usually gives them money when they ask but everyone has seen those pushing shopping carts down the streets of Eureka and they typically will steal from anyone. He noted that it is not an issue of NIMBY (not wanting it in my back yard), but an issue of wanting to know what impact it is going to have on the community.

Jerry Baker, 430 Painter St., referred to a mental health clinic that he grew up living next to in Santa Cruz County and the problems associated with that facility. He expressed concern regarding the potential increase in crime, particularly in the neighborhoods surrounding the facility. He noted that 12% of the population in Humboldt County has mental health issues and placing a facility in a small community such as Rio Dell does not work. He estimated that one-half to two-thirds of the neighborhood have recently moved and estimated a 12-20 percent decrease in property values. He said the proposed project is not a good fit for Rio Dell and that he does not support it.

Joey Sancho commented that in the past when the City did water and sewer rate studies, no senior discounts were granted and now it appears that the developer will be receiving either discounts or free water and sewer connection fees. He said the fire department and police department would be overwhelmed with the increased calls for service. What the City needs is more family-type housing.

Jim Barsanti asked if the project would be subject to the Fire Assessment fees since it is a State project. He reported that the fire department responded to a total of 410 calls since the beginning of the year so they are going day and night. He said the project will have a financial

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impact on the department and speaking as a member of the Fire Commissioners Board, the Board is not in support of the project.

Mayor Wilson closed the public hearing and asked Mr. Dart if he would like to respond to any of the comments made during the public hearing.

Mr. Dart responded to the questions and said with regard to revenue, they fully intend to pay any impact fees imposed such as water or sewer as well as any tax assessments for schools, fire or parks.

In addition, they will be doing offsite improvements including street improvements, and water, sewer and storm drain improvements. He explained that all state housing projects are exempt from property taxes so that the costs pencil out and allow for affordable rents.

He said with regard to families, they are not excluding them from applying for housing and that they will have three (3) 2-bedroom units available for families.

Fencing the facility is a management control mechanism so they can monitor who comes and goes and what they are bringing into the facility. The facility will not be locked down; the residents will be free to come and go. In addition, DANCO will be maintaining the facility and as far as the residents, they have agreed to provide a list of the names to the City Manager.

Mr. Dart said with regard to calls for service by the fire department, they will have their own staff on site so they will be able to handle most of the medical related calls.

He then responded to the question from Jessica Beyer related to the process for applying for housing for her son with mental illness and explained that tenants are eligible for housing on a first come first serve basis and that they need to complete an application, income qualify (have incomes at or below 40% AMI), meet the criteria of being in need of permanent supportive housing which included those persons with mental illness.

With regard to property values, he said he believes the project will improve the community by getting homeless off the streets and studies show that low-income housing increases property values because of it.

Mayor Wilson invited Sally Hewitt from DHHS to respond to the comments and questions.

Ms. Hewitt agreed that there is a terrible problem with homeless students in the County and that it is multi-generational. She reiterated that the facility would have provisions to accommodate a few small families. She indicated that the DANCO project in Samoa is focused more on families and includes 3-bedroom units.

She reviewed the application process and said when the project is close to completion, DHHS will send information to the City Manager on how people can apply and she would be available to guide them through the process.

She said with regard to the mental health facility that one of the speakers grew up living next to, it sounds like it was an institute for mental disease and the residents that will be living at the DANCO facility are not the same.

Ms. Hewitt then explained that if a resident refuses to let a case worker come into their unit, they will leave and keep coming back until they let them in. They would remind them who is paying their rent. If the situation continues, they would call on the police department to do a welfare check to make sure everything was okay.

City Manager clarified that DANCO will be paying for water and sewer connection fees as well as the monthly charges for service.

Mr. Dart explained that the facility would have a master water meter and DANCO will be responsible for paying for the water and sewer charges. He said the tenants will be responsible for paying for their own electricity but the facility will have on-site power so the charge would only be around \$8-\$10/month.

Mayor Wilson asked if they are exempt from the fire assessment.

Mr. Dart said that they are not exempt from any of the assessments, only the 1% property tax.

Councilmember Strahan commented that she is not opposed to low-income housing but feels that there is more need for family housing. She commented that Rio Dell is a community that takes care of others and thanked Mr. Dart and Ms. Hewitt for coming.

Mayor Pro Tem Johnson stated that his family moved here 40 years ago, he and his wife raised two kids; a couple of grandkids and now have great grandkids. He said that he went down to the creek behind his house and discovered homeless people there who were obviously in need of housing. He said that his hope is that they can get into the DANCO facility. He added that by the grace of God, he and his family are not homeless but there are many people that are not so fortunate and could certainly use a hand up.

Councilmember Garnes commented that she hears what citizens are saying and understands their concerns but she also has to look at the other side of the coin. She said if there is a way to provide housing for homeless, they are no longer homeless. She added that if there really were nothing anyone could do to stop this project, then she would hope that people would stop putting out all this negative energy and try to be a little positive. She said that there are people in Rio Dell that are mentally disabled and in need of help. She pointed out that if there was a disaster such as an earthquake everyone would be coming together to help. She said everyone needs to hope for the best and reminded everyone that there is a difference between

people that are forced to go there and those that want to be there. She repeated a quote she heard from Supervisor Bass which was "some of the ugliest people live behind the prettiest doors" and said it does not have to be as bad as people are making it out to be.

Cindy Pearce pointed out that 25 low-income housing units will not meet the City's regional housing needs and asked where the next group of units will go.

Councilmember Strahan suggested the formation of a Citizen Advisory Committee so people can monitor what is going on and asked for ideas on how the City can oversee the project and help DANCO through the process.

City Manager Knopp thought it was an excellent suggestion and said there are a couple of things the City can do to make it easier for citizens to access information. He also suggested that the City makes sure that the homeless count for Rio Dell is accurate so in 2019 when the count is done, we will know if the homeless count increases or decreases.

He said the City Council could also direct staff to work on a strategy to help facilitate getting homeless people in Rio Dell into the facility. He noted that DANCO is required to follow federal and state laws but the City could do community outreach in coordination with the Rio Dell Resource Center and help assist homeless through the application process. He added that the facility certainly would be more successful by having those people that want to be there.

Councilmember Strahan commented that Ms. Hewitt indicated that DHHS would send out people to assist in helping homeless here become qualified so there would be no cost to the City.

City Manager Knopp added that the Community Resource Center is a great organization and it would be a good project for them to take on.

Mayor Wilson said to reiterate what Councilmember Strahan said, he does not think there is anything the City can do to stop this project. He said despite whether someone likes or dislikes the federal or state government, they have the power in these matters, not the City. The homeless and society issues the City has are not unique to Rio Dell and it is not going to get better. If the City is going to survive as a community, everyone needs to work together to make things better.

Mayor Wilson called for a 5-minute recess at 8:14 p.m. A majority of the crowd dispersed.

The Council reconvened into open session at 8:20 p.m.

Discussion and Possible Action on Rio Dell ADA Compliant Library Options

City Manager Knopp provided a staff report and said that the County Board of Supervisors met October 9, 2018 to discuss options for the Rio Dell Branch Library. The discussion was continued to their meeting of October 9, 2018 in order to explore the possibility of establishing a

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partnership with the City to place a modular library unit on the grounds of City Hall. He said the Board wanted additional feedback from the Council on the City's willingness to enter into a partnership with the County, or to bring forth other potential options.

The City Council discussed the matter at their October 2, 2018 regular meeting and reviewed various options. The consensus of the Council was that they would like the library to remain on Wildwood Ave. A modular unit was acceptable provided it was a high grade modular. In addition, the Council agreed to waive all permit costs and contribute \$55,125 towards the cost of ADA improvements to the path of travel. The possible locations for placement of the modular were City Hall grounds, the Triangle Park (aka Blue Star), or at the downtown City parking lot.

He noted that the Chief of Police was not in favor of placing the modular on City Hall grounds, as it would take parking away from his department. In addition, the adjacent parking lot and the bathrooms at City Hall are not ADA compliant so potentially there would be added costs to bring those facilities up to current code.

The Triangle Park option was an acceptable location but it would require incorporation of ADA parking near the Police Department.

City Manager Knopp explained that the City's Downtown Parking Lot option also includes the vacant space west of the parking lot at 203 Wildwood Ave. He said that staff contacted the owner of the property to see if they would be willing to sell or lease the space for a modular library and they are open to negotiation. He noted that it is unlikely the County would agree to any kind of a lease. The other option would be for the City to possibly purchase the parcel.

Probable construction costs totaling \$304,842 were reviewed which did not include access to ADA parking.

The options were presented to the Board of Supervisors at their October 9, 2018 meeting in which no decision was made. County staff will be doing additional research on the options presented and bring the options back to the Board at a future meeting.

Staff indicated the matter should come back to the Council by the end of November.

Councilmember Strahan referred to the Triangle Park option and wanted assurance that the Blue Star Memorial would not be disturbed.

City Manager Knopp commented that the proposed location for the modular would be behind the Blue Star Memorial.

Councilmember Marks asked why the money could not be used to bring the current library building up to ADA compliance.

City Manager Knopp indicated that the City and the County approached the Fire District about the possibility of turning ownership over the City or the County and they were not interested. In addition, the County probably would not want to invest that much money into a building they do not own.

Councilmember Garnes asked if staff is leaning toward the Triangle Park as the most viable option.

City Manager Knopp said that it would make more sense to place the modular downtown since there is water and sewer on site and ample parking. The other positive point is that there would be potential chance for future expansion. He noted that the other options would work but would require new utility connections. He asked the Council to beware that the modular could potentially remain on site for 30-50 years.

Authorize the City Manager to negotiate a contract for City Engineering Services

City Manager Knopp provided a staff report and said at their May 15, 2018 regular meeting, the Council appointed Mayor Pro Tem Johnson, Water/Roadways Superintendent Jensen and the City Manager to the City Engineering Selection Committee to solicit for City Engineering services as required every 5 years or less. Request for Qualifications (RFQ's) were issued and interviews were conducted on three qualified firms. The committee unanimously rated GHD Inc. as the most qualified firm to provide engineering services for the City of Rio Dell.

The recommended action was to authorize the City Manager to negotiate a contract for City Engineering Services with GHD, Inc.

Mayor Pro Tem Johnson commented that the committee met a couple of times prior to the interviews and came up with additional questions, which were reviewed by the City Attorney. He said the three firms ranged from being over the top qualified to extremely over the top qualified and they all presented themselves very well. Any one of the three firms would do a great job for the City but GHD scored the highest.

Motion was made by Johnson/Garnes to authorize the City Manager to negotiate a contract for engineering services with GHD, Inc. Motion carried 5-0.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Second Reading (by title only) and Adoption of Ordinance No. 371-2018 Establishing Vacation Dwelling Unit Regulations, Section 17.30.335 of the Rio Dell Municipal Code (RDMC)

City Manager Knopp provided a brief staff report and stated that the ordinance was introduced and discussed at the October 2, 2018 regular meeting and is back before the Council for its second reading and possible adoption.

Mayor Pro Tem Johnson stated that with the recommended revisions including the elimination of restricted visiting hours and removal of occupancy limits, the ordinance makes it possible for someone to rent a 2-bedroom house, allow 16 visitors to show up and because they drink too much, they can sleep on the floor all night. He said that this is not fair to the owners of the vacation rentals.

Councilmember Strahan pointed out that the property owners have their own rules, which the tenants must abide by. She also commented that the changes were not included in the draft ordinance and suggested the words "*shall be ministerial, without discretionary review or a hearing*" be removed from the top of page 86 under (3) Permits, Application Requirements, Fees, Inspection and Notice Requirements.

Mayor Wilson opened the public hearing to receive public comment regarding the proposed ordinance. There being no public comment, the public hearing closed.

Motion was made by Garnes/Strahan to table the item and bring the ordinance back on November 6, 2018 for further discussion and possible adoption. Motion carried 5-0.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson reported that the Eureka City Council on this evening's agenda is considering authorizing the Mayor to sign an agreement with the City of Eureka and HCAOG to allocate up to \$200,000 for the first year for traffic enforcement of the Eureka corridor.

He also announced that he had signs on "*Vote Yes on Measure J*" in his car for anyone that would like to put one up. In addition, on October 27 at 10:00 a.m. people would be gathering at City Hall to go out and knock on doors to campaign for Measure J.

Councilmember Garnes asked that the recently erected Bear Sculpture be referred back to the Sculpture Committee for consideration.

ADJOURNMENT

The meeting was adjourned at 8:48 p.m. to the November 6, 2018 regular meeting.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

1. The first part of the report is a general introduction to the subject of the study.

2. The second part of the report is a detailed description of the methods used in the study.

3. The third part of the report is a detailed description of the results of the study.

4. The fourth part of the report is a detailed description of the conclusions of the study.

5. The fifth part of the report is a detailed description of the recommendations of the study.

6. The sixth part of the report is a detailed description of the limitations of the study.

7. The seventh part of the report is a detailed description of the future research.

8. The eighth part of the report is a detailed description of the acknowledgments.

9. The ninth part of the report is a detailed description of the references.

10. The tenth part of the report is a detailed description of the appendices.

11. The eleventh part of the report is a detailed description of the index.

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**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
November 6, 2018**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Brooke Kerrigan, Finance Director *BK*

DATE: November 6, 2018

SUBJECT: Adopting Travel Expense Reimbursement Policy Resolution 1404-2018

RECOMMENDATION

1. Review the Staff report and Resolution 1404-2018 Travel Expense Reimbursement Policy; and
2. Adopt Resolution 1404-2018 Travel Expense Reimbursement Policy

BACKGROUND AND DISCUSSION

From time to time it is necessary to update the City's policies and procedures related to travel expense reimbursements in order to clarify and modernize some of the provisions. The last update to the City's expense reimbursement policy was on February 21, 2006 when the City Council approved Resolution No. 913-2006 adopting an Expense and Use of Public Resources Policy Statement. Resolution No. 1404-2018 updates the policy and is consistent with California Government Code sections 53232.2-53232.4.

BUDGETARY IMPACT

None.

ATTACHMENTS

- Resolution 1404-2018 Travel Expense Reimbursement Policy



RESOLUTION NO. 1404-2018
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL
TRAVEL EXPENSE REIMBURSEMENT POLICY

I. PURPOSE

- Provide approved travel policy and information needed for the preparation and reconciliation of travel requests;
- Provide guidance to travelers and approvers on cost-effective management of travel expenses;
- Identify reimbursable versus non-reimbursable expenses; and
- Clarify Employee/Official responsibility for controlling and reporting travel expenses.

This policy shall provide a uniform policy and procedure for travel on City business for all City Employees and Officials who may incur out-of-pocket expenses in the course of their duties. This policy is to assure the appropriate use of City funds, provide accountability of related expenditures, and ensure an efficient process for approval and proper adherences to IRS regulations. This policy may not explicitly address every issue or contingency that may arise in the course of City travel. However, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of the City's resources.

This policy is consistent with California Government Code sections 53232.2 – 53232.4.

II. SCOPE

The Travel Expense Reimbursement Policy applies to all reimbursements to Employees/Officials for authorized expenses associated with City business including travel, meals and mileage. This policy is applicable, but not limited to, Members of the City Council and Planning Commission, as well as all City Employees.

III. AUTHORIZATION FOR REIMBURSABLE EVENTS AND ACTIVITIES

A. General Policy

It is the policy of the City that no Employee/Official shall sustain personal monetary loss as a result of duties performed in the service of the City, as provided in this Reimbursement

Policy. However, all expenditures and requests for reimbursement shall relate to the conduct of City business and shall be necessary to accomplish the purposes of such business and shall be reasonable in amount. Employees/Officials are expected to exercise good judgment and show proper regard for economy when incurring expenses in connection with official City business.

All expenses related to Employee/Official travel must be included in the budget. Departments are required to forecast such travel costs and incorporate those costs into their budget proposals. Travel and training will only be approved if there are sufficient funds in the departmental budget. All out-of-state travel, for either Officials or Employees, shall require City Council approval. Such approval shall be given on the City Council's Consent Calendar.

The most economical mode and class of transportation reasonably consistent with scheduling needs must be used.

The City Council of the City of Rio Dell shall have authority to make the final decision regarding compliance with this policy for Appointed and Elected officials and for any out-of-state travel for Employees. The City Manager shall have authority to make the final decision regarding compliance with this policy for Employees.

B. Types of Reimbursable Activities

The Types of events and activities that typically qualify an Employee/Official to receive reimbursement are included below. If there is an event or activity for which an Employee/Official wishes reimbursement and it is not described below, the Employee/Official should have the matter approved in advance by the City Council:

1. Meetings with government and business leaders.
2. Communicating with representatives of regional, state, and national government on City adopted policy positions;
3. Conferences, training, and educational trips designed to improve skill and information levels, including visiting other governments and government officials;
4. Participating or attending events organized by regional, state, or national organizations or governmental entities where the City has a direct interest;

C. Types of Non-Reimbursable Activities

Any questions regarding the propriety of a particular expense should be resolved by the City Manager before the expense is incurred.

Examples of expenses the City will not reimburse include, but are not limited to:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's and/or children's expenses incurred when accompanying Official/Employee on City-related business;
4. Entertainment expenses, including alcohol, sightseeing, theater, movies (in-room or theater), sporting events (including golf, gym, and massage expenses) or other cultural events;
5. Non-mileage personal automobile expenses including repairs, traffic citations, and insurance; and
6. Personal medical expenses or losses incurred while on City business.

IV. SPECIFIC REIMBURSABLE EXPENSES & PROTOCOL

- A. No reimbursement shall be provided for travel or expenses until:
 1. Authorization for Travel. Prior to committing the expenditure of City funds for travel, the Employee must obtain the approval of his or her department head, as well as the City Manager or designee on the approved travel request form. The authorization request shall include an estimate of all expenses with documentation to support all costs incurred:
 - a. A copy of the conference or meeting notice and agenda
 - b. Registration form(s)
 - c. GSA per diem rates (www.gsa.gov/perdiem).
 - d. Proof of mileage (map)
 - e. Receipts for lodging arrangements, registration fees, etc. including expenses paid by City credit card.
 - f. Other documentation necessary to show cost

The travel request and claim form must be properly prepared and approved before submitting to the Finance Department.

2. Transportation: In all cases the criteria for selecting the mode of transportation should be at the least expense to the City.
 - a. Automobile: Provided an Employee/Official is not issued a City vehicle, automobile mileage is reimbursed at the lesser of the City of Rio Dell adopted mileage rate or the Internal Revenue Service (IRS) rate presently in effect.
 - i. Parking fees while on City business are reimbursable at the most economical rate.
 - ii. Car rentals, taxis, or shuttles may be reimbursed so long as the cost is the most economical and reasonable for purposes of reimbursement under this policy.
 - iii. When two or more Employees/Officials are traveling either by City vehicle or personal vehicle, every effort shall be made for the Employees/Officials to ride together.
 - b. Airfare: When an airline is used for travel only coach class will be reimbursed. Upgrades to a higher class of air service will be at the expense of the Employee/Official.
 - i. Airport parking is reimbursable at the most economical lot.
 - ii. Baggage – For air travel baggage reimbursement can be claimed up to \$25; for baggage carrying services reimbursement allowable is \$2/bag.
3. Lodging. Reimbursement will be made for the cost of lodging required to conduct City business. Dated receipts and meeting and travel schedules must be provided with the reimbursement request.
 - a. Lodging reimbursement shall depend on the type of accommodation reserved.
 - i. Lodging for conferences. If City Employee/Official is staying at the hotel designated as the conference headquarter hotel the group rate whenever possible will be used; otherwise the reimbursement rate shall be based on the single room rate charged at the headquarter hotel. If lodging associated with the conference is at a hotel other than the conference headquarter hotel the reimbursement rate will be no higher than the single room rate of the headquarter hotel.

- ii. Lodging other than conferences. The Employee/Official while on City business is entitled to reimbursement for lodging at a rate equal to the current per diem rate in effect as established by GSA.
 - iii. If lodging cannot be found at a rate equal to or lower than the GSA per diem rate, then the Employee/Official will need to attest to why the established rate could not be found. Once attestation is made and is based on sound reasoning, the Employee/Official will be reimbursed at the single room rate for the accommodation with the approval of the City Manager, or his/her designee.
 - iv. Lodging will be provided for the night prior to commencement of the meeting if the hour set for the start of the meeting is such that the Employee/Official would have to leave home prior to 6:00 a.m. Lodging may be provided following the meeting if the Employee/Official could not have arrived at his/her home prior to 10:00 p.m.
 - v. In the event the Employee/Official occupies the room with family members or other non-authorized persons, the Employee/Official shall be reimbursed at the rate for single occupancy only.
 - vi. This policy establishes the maximum amount that the City is allowed to reimburse. It does not preclude the Employee/Official from securing more expensive accommodations at his/her own expense.
4. Meals. The daily allowance for meals and incidental expenses while traveling are established and maintained by the General Services Administration (GSA) and as referred in the Federal Internal Revenue Service (IRS) Publications 463 and 1542. Meals and incidentals will be reimbursed per GSA rates.

Receipts are required to receive the GSA established rates by specific location for meal reimbursements; otherwise the traveler may elect to receive the standard GSA per diem rate instead of receiving reimbursement based on receipts. For the standard GSA rate any excess amounts that are not returned to the City and cannot be verified by receipt is considered reportable income and will be included in box 1 of the Employee's W-2 Form. Any amounts received based on GSA specific location rates must have a receipt that shows the cost, otherwise any amount in excess of the standard GSA rate that is not verified by receipt will be returned to the City by the Employee/Official.

The City will not pay for alcohol/personal bar expenses.

- a. Any meal that is provided or otherwise available to the Employee/Official at a function, whether or not there is an actual charge for the meal, will not be reimbursed even if the Employee/Official eats elsewhere.
 - b. A continental breakfast does not constitute a meal as is defined within this policy.
 - c. Business meals that are associated with the active conduct of City business where a clear business reason for incurring the expense exists, is reimbursable with the City Manager's approval.
 - d. For travel days the meal allowance will be prorated according to the following formula: 75% per diem reimbursement for first and last day of travel
5. Internet/Telephone. Employees/Officials will be reimbursed for actual telephone and fax expenses incurred on City business when traveling outside of Humboldt County. Reimbursement for standard internet access connection and/or usage fees away from home are not to exceed \$15.

B. CASH ADVANCE POLICY

1. From time to time it may be necessary for an Employee to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. An advance shall be signed by the applicable Department Head and City Manager, or his or her designee fourteen (14) days before the need for the advance. In an emergency situation this time requirement may be waived by the City Manager or his or her designee. Requests must include a completed travel request reimbursement form and back up documentation, as well as a statement as to why the advance reimbursement is necessary.
2. Advance reimbursement requests are allowable at 75% of the total requested reimbursement amount. Advance reimbursement is limited to meals, tolls, and parking. In limited circumstances mileage may be reimbursed as an advance for sound reasons with the approval of the City Manager, or his or her designee.

C. RECONCILIATION OF TRAVEL REIMBURSEMENT REQUEST

1. Employees/Officials must submit their expense report to the Finance Department within thirty (30) days after an expense is incurred, accompanied by receipts documenting each expense. Itemized restaurant receipts are required for reimbursement at the GSA rates by location for any meals purchased; otherwise GSA standard rates apply. Boarding passes, hotel receipts and any non-per diem item

either for reimbursement or to validate the City expenditure for travel must be included. In addition, original receipts are required for all of the following:

- Conferences and seminars
 - Lodging
 - Rental cars
 - Parking and tolls
 - Other transportation
 - Other authorized purchases
2. Inability to provide such documentation in a timely fashion may result in the expense being borne by the Employee/Official.
 3. All expenses are subject to verification that they comply with this Employee Expense Reimbursement Policy.

D. VIOLATION OF THIS TRAVEL EXPENSE REIMBURSEMENT POLICY

1. Use of public resources or falsifying expense reports in violation of this Employee/Official Expense Reimbursement Policy may result in penalties including but not limited to:
 - a. Loss of reimbursement privileges;
 - b. A demand for restitution to the City;
 - c. The City's reporting the expenses as income to the Employee to state and federal tax authorities;
 - d. Prosecution under state or federal law for misuse of public resources;
 - e. Disciplinary action up to and including termination.

V. PROCEDURE

- A. At least fourteen (14) days in advance of travel the Employee shall obtain approval by the Department Head and City Manager by filling out the travel reimbursement request form.
- B. After obtaining approval some expenses such as registration, airfare, and lodging may be pre-paid by the City through a City credit card and/or accounts payable.
- C. Within thirty (30) days upon return Employee/Official submits a reconciliation form for review and approval. Attach all receipts for out-of-pocket expenses. Receipts include

boarding passes, hotel receipts, receipts for meals, and receipts for any non-per diem item. Inability to provide such documentation in a timely fashion may result in the expense being borne by the Employee/Official. Reimbursement requests submitted more than sixty (60) days after the end of the fiscal year will be disallowed.

D. The Finance Department will conduct a final reconciliation of the expenses according to the policy guidelines. If actual costs that were pre-authorized by the Employee's Department Head and City Manager or authorized designee are less than the amount advanced the difference will be reimbursed to the City by the Employee.

F. Any questions regarding this procedure may be forwarded to the Finance Department.

VI. REPORTS TO GOVERNING BOARD

A. At the following City governing body meeting, each elected official shall briefly report on meetings attended at City expense. If multiple officials attended, a joint report may be made.

For more information

If you have questions or need further guidance, please contact the Finance Department.

PASSED AND ADOPTED by the City of Rio Dell on this 6TH day of November, 2018, by the following roll call vote:

Ayes:

Noes:

Abstain:

Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk

*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532*



November 6, 2018

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Adoption of Resolution No. 1405-2018 Amending and Adopting Wastewater Treatment Plant Superintendent Salary Schedule

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve adoption of Resolution No. 1405-2018 amending and adopting Salary Schedule for Wastewater Treatment Plant Superintendent

BACKGROUND AND DISCUSSION

In July 2018 the City Council adopted the City's Master Salary Table per Resolution 1397-2018. The following table is a summary of requested amendment to the Wastewater Treatment Plant Superintendent Salary Schedule. The amendment reflects a 6% increase to step A, followed by 3% incremental increases for steps B – E.

JOB TITLE	Salary Range				
	A	B	C	D	E
Wastewater Sup. (OLD) Resolution 1397-2018	54,717	56,359	58,050	59,791	61,585
WASTEWATER SUP. (NEW) RESOLUTION 1405-2018	58,050	59,791	61,585	63,432	65,335

Attached:

Resolution 1405-2018 with proposed salary table amendment



RESOLUTION NO. 1405-2018
A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF RIO DELL AMENDING THE SALARY TABLE FOR THE
POSITION OF WASTEWATER TREATMENT PLANT OPERATOR

WHEREAS, the City of Rio Dell recognizes the value of adopting a salary schedule that promotes the recruitment and retention of employees; and

WHEREAS, an pay structure with competitive salaries is essential in attracting and retaining a skilled, motivated work force, thereby increasing the level of service to the City's residents; and

WHEREAS, a salary table helps provide transparency in compensation; and

WHEREAS, Section 36506 of the Government Code of the State of California provides that the City Council shall, by Resolution or Ordinance, fix the compensation for all appointive officers and employees.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Rio Dell hereby amends and adopts the following Salary Table wage increase for the position of Wastewater Treatment Plant Operator for the remainder of the 2018/19 fiscal year, and this Resolution shall be effective November 6, 2018:

JOB TITLE	Salary Range				
	A	B	C	D	E
WASTEWATER SUP.	58,050	59,791	61,585	63,432	65,335

PASSED AND ADOPTED by the City of Rio Dell on this 6th day of November, 2018, by the following roll call vote:

Ayes:

Noes:

Abstain:

Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk



Staff Update – 2018-11-06

City Council

City Manager

Met with ADA compliance staff from the County, including the County's consulting architect. Discussions held on the three options for the placement of the library modular.

Interviews for Wastewater Superintendent position.

Discussions with county consultant on Potter Valley Project auction. County to give Rio Dell presentation on November 6th.

Discussions on Municipal Service Review through LAFCO.

Meeting with architect for Permanent Supportive Housing Project, including City Attorney, City Engineer, Fire District, Community Resource Center and city staff.

Discussions with County, Danco and Community Resource center on applications for Rio Dell residents to become tenants of PSH facility.

City Clerk

Processed three (3) Building Permits during the previous two week period:

- 1) 1256 Riverside Dr. – Sewer Lateral
- 2) 1261 Eeloa Ave. – Sewer Lateral
- 3) 220 Smither Ct. – (2) Sewer Cleanouts

Processed one (1) Encroachment Permit:

1. 265 Willow Lane – PG&E installing anchor

Completed Building Permit report for County Assessor's Office.

Transcribed Minutes from the October 16, City Council meeting.

Prepared Proclamation and Staff Report – American Indian Heritage Month.

Attended the October 23, 2018 Planning Commission meeting and transcribed Minutes.



Researched building permit archives under Public Records Request.

Sent letter to resident regarding process for a new water and sewer connection.

Scheduled appraisal of City owned property for SCORE property insurance renewal.

City Attorney

Human Resources, Risk & Training

Finance Department

Public Works Water

1. Weekly water sampling
2. General Work orders for Public Works Dept.
3. North and South Gateway Mowing and Cleanup
4. Roadways Mowing, Weed eating and Tree Trimming.
5. Garbage cleanup on River bar (ONGOING)
6. Corp yard cleanup
7. Weekly Safety Trainings
8. Monthly Water Meter Reading
9. Meter Re-reads (Only 3 bad this month)
10. Inspect new water line on Northwestern
11. Flush and do water test on new water line on Northwestern
12. Water Main on Northwester is NOW Active and the Fire Hydrants are operational.
13. Painting complete at Water Treatment Plant.
14. Repairs on Reliant complete and back in operation.
15. Landscaping around old Wastewater Treatment Plant
16. Water leak on Monument and Pacific
17. Water leaks on North St
18. Replace broken Water meter stop on 4th Ave
19. Water leak on Bellevue and Blueslide Rd.
20. Water Parts inventory and organization.
21. Clean out storm drain inlets on Bellevue and Ogle Ave with Vactor Trailer
22. Paint Red Zone Curbs
23. Paint Green Zone in Front of Post Office
24. Repair drainage ditch on East end of Painter St. added RipRap to entrance and exit of Culverts.
25. General Cleanup behind City Hall at recycling area. (issues with "garbage" being dropped off)

Public Works Wastewater

Public Works Streets, Buildings and Grounds

Public Works City Engineer



Public Works Capital Projects

Police Department

The Department had the following statistics for the period of October 10 to October 23, 2018. This period of time saw a normal number of calls for service, but fewer incidents requiring reports or arrests.

Officer	Calls for Service	Reports	Arrests
Conner	21	3	0
Beauchaine	21	1	1
Carnahan	17	4	3
Totals	61 (2 unassigned)	8	4

During the period of October 10 to October 23, 2018, the Department opened one new case dealing with abandoned or junk vehicles. During the same time period, the Department closed one case. The offending vehicle was removed by the owner.

During the period of October 10, 2018 to October 23, 2018, there were five calls for service related to animal control issues. No animals were transported to Miranda's Rescue in this time period. However, one cat was transported to the vet where it was determined to have a neurological problem and was not adoptable. The vet agreed to have the cat live out the rest of its days at the veterinary hospital.

Chief Conner attended the second session of the POST Management Course in Sacramento during this time frame.

On October 12, 2018, at about 8:10 in the morning, Officer Carnahan was dispatched to a traffic accident at the intersection of Painter and Ireland Streets. A twelve-year-old girl was riding her bike to school when she tried to turn from Painter onto Ireland. This took her directly into the path of a passing motorist. The bike rider was thrown to the ground, but not seriously injured. Her bike, however, was totaled.

On October 13, 2018, Officer Carnahan was dispatched to a report of a man who had been stabbed. However, the man fled from the police even though he was seriously bleeding. Additional units were called to assist in searching for him including officers from the Fortuna and Ferndale Police Departments. Members of the Rio Dell Volunteer Fire Department also assisted in the search. As the investigation continued, it was determined that the man had not been stabbed, but had suffered a severe laceration to the inside of his elbow when he broke a window at an abandoned gas station. He was eventually located in Fireman's Park by a member of the Fire Department almost two hours after the search started. He conscious, but suffering from major blood loss. He was transported to the hospital by ambulance and criminal charges are pending.

On October 22, 2018, Officer Carnahan was called out from his residence when a Shively resident chased two thieves into the City of Rio Dell. The man was dressed in only a bathrobe, but had confronted the two thieves on Ogle Street at about 6:45 in the morning. The two thieves fled when the man brandished an axe and slashed their truck tires with it. He was able to recover the marijuana plants that had been



stolen from his commercial operation in Shively. Officer Carnahan stood by with the man and the suspect truck until the Sheriff's Department arrived to take over the investigation.

Community Development Department

Week of October 22, 2018

Meeting with representatives of Knox Medical regarding interest in Humboldt Rio Dell Business Park.

Debrief with City Manager regarding DANCO project and Vacation Dwelling Unit regulations from October 16th Council meeting.

Inspection 981 Rio Dell Avenue, Solar System installation.

Inspection 1000 Pacific Avenue, bathroom remodel.

Prepare Staff Report regarding Vacation Dwelling Units, modify application form.

Correspondence with Matt Allen regarding Cannabis permits, subdivision and sale of Shannon McWhorter's parcel at the HRDBP.

Review State changes to the Cannabis regulations.

Correspondence with Sarah Albin regarding possible sale of parcel next to City parking lot.

Prepare for and attend Planning Commission meeting (Whitlow Lot Line Adjustment).

Prepare Notice of Planning Commission Decision regarding Whitlow lot line adjustment. Prepare Notice of Lot Line Adjustment and Certificate of Subdivision Compliance. Meet with Liz Pellendrini regarding completing conditions of approval, appeal period and property taxes.

Meeting with Tracie Shummard regarding Adams lot line adjustment.

Meeting with Matthew Fielkow with Element 7 regarding interest in the HRDBP.

Week of October 29, 2018

Review and comment of Rio Dell MSR/SOI. Forward to others for review and comment.

Meeting with DANCO (Chris Dart, Kash Bodjeh, Whitchurch Engineering), City staff, RDVFD (Shane Wilson, Jim Barsanti and Mickey Barsanti), Community Resource Center (Sarah Faught).

Review Element 7 Business Model.

Correspondence with Appraisers regarding 203 Wildwood for potential purchase for Library site and ultimately Community Center.

Reformat General Plan (Land Use Element) and current Housing Element for posting on City



website. Also post Circulation, Open Space and Conservation, Noise and Safety Elements.

Follow-up correspondence with Mike Retzloff and Mel Thompson regarding appraisal of 203 Wildwood Avenue.

Continue update of next cycles Housing Element.

Meeting with Caltrans representatives regarding Design Review/permitting process for shop/storage building.

Intergovernmental

Humboldt-Rio Dell Business Park

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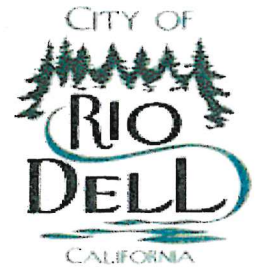
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cityofriodell.ca.gov*



November 6, 2018

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Presentation and Discussion on Potter Valley Project

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff, if any.

BACKGROUND AND DISCUSSION

PG&E recently announced its intent to sell the Potter Valley Project (PVP) to either an interested public entity or through an 'auction' process. Humboldt County is engaged in regional discussions for the future of the project, which diverts Eel River water, blocks fish habitat, and impairs the health of the river.

The County of Humboldt has hired Craig Tucker, a veteran of the Klamath Dam re-licensing / removal process, as a water policy consultant to help represent the County. He will provide a presentation to the Council and be available for questions on this topic.

In May the Board of Supervisors adopted the attached position statement (Attachment C). One of the linkages to Rio Dell and other downstream Eel River communities is that reductions in Eel River flows affect our surface water supplies and groundwater aquifer. In addition to water flows, impacts to fisheries are a major concern. The County seeks to organize a coalition of affected Eel River parties (local and tribal governments, non-governmental organizations) to strengthen our negotiating position.

In the fall of 2014, water levels in the Eel River reached critical with the lowest levels ever recorded. At the time, the City's only source of water was an infiltration gallery, located in the river bed. While the system did not fail it did come unsettlingly close to failure. Since this time, the City has diversified its water sources to include access to an aquifer through the Metropolitan Wells Project, completed earlier this year. Other impacts to the City include general water quality impacts and recreational impacts associated with the Potter Valley Project and its impact upon the Eel River.

This agenda item serves as an opportunity to become more familiar with the Potter Valley Project, the Eel River watershed and the next steps in this process.

Attachments:

A: Briefing Paper from S. Craig Tucker, Ph.D.

B: Correspondence from the Humboldt County Fish & Game Advisory Committee

C: Resolution No. 18-56 Humboldt County Board of Supervisor's Position Statement

D: Maps and Images

E: US Drought Monitor for California 2011-2018

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Attachment A

Briefing Paper

To: Hank Seemann, Humboldt County Public Works
Prepared by: S. Craig Tucker, Ph.D.
Date: May 31, 2018
Subject: General Principles for Addressing Issues Related to the Eel River and Potter Valley Project Re-licensing

The purpose of this Briefing Paper is to provide a summary of the re-licensing process for the Potter Valley Project (PVP) and suggest four guiding principles for engagement on regional discussions regarding the PVP's future.

BACKGROUND

The Eel River flows south to north from its headwaters in Lake County, through portions of Trinity and Mendocino counties, to its outlet to the Pacific Ocean in Humboldt County. The Eel is the third largest watershed entirely in California (3,684 square miles). In 1905, the Eel River Power and Irrigation Company began construction on what become known as the PVP. The PVP began with the construction of Cape Horn Dam, creating Van Arsdale Reservoir, and a one-mile-long tunnel connecting the Eel River to the Russian River in Potter Valley. Because Van Arsdale is a relatively small impoundment (approximately 700 acre-feet), the diversion could only be operated in winter months. In 1921, Scott Dam was built further upstream creating an 94,000 acre-foot impoundment known as Lake Pillsbury (current capacity is approximately 77,000 acre-feet). With this additional storage, the project could divert water and generate power year-round. While the mouth of the Eel River is nearly two hundred miles north of the mouth of the Russian River, the two rivers are intimately connected at their headwaters by the PVP.

SUMMARY OF HYDROPOWER RE-LICENSING

As with all privately-owned power projects, the Federal Energy Regulatory Commission (FERC) has jurisdictional authority pursuant to the Federal Power Act to regulate and license the PVP. However, the outcome of the current FERC process, and the fate of PVP, will likely be determined by concerns over the water diversion and not that of power generation.

PG&E describes the PVP as a 9.2 megawatt (mW) hydropower facility or enough to power 6,000 homes. This is a bit misleading as 9.2 mW may be the nameplate capacity of the power generators but environmental regulations and FERC flow requirements (and natural flow variability) limit diversions in such a way that the actual power produced is a fraction of the facility's capacity. The amount of electricity produced is negligible relative to PG&E's portfolio, and the value of the energy alone does not warrant the capital investment required to pursue a new license from FERC.

The original reason for constructing the PVP may have been power generation; however, the consequence was the creation of a massive out of basin diversion to the Russian River watershed, which in turn fueled agricultural development in Potter Valley and areas downstream. Until 1979, the average annual diversion of Eel River water at Cape Horn Dam was 152,600 acre-feet (33% of inflow)¹. By 2004,

¹ PG&E, August 29, 2017. Questions on Power Production for Potter Valley Project Ad Hoc Committee.

National Marine Fisheries Service (NMFS) issued a biological opinion on PVP operations under the federal Endangered Species Act which in turn led to significant changes. The result was an increase in releases to the Eel River and reduced annual diversions to Potter Valley. From 2007 to 2016, the average annual diversion of Eel River water at Cape Horn Dam was 64,400 acre-feet (21% of inflow).

In 2017, FERC initiated the public process to consider renewal of the federal license for the PVP. FERC must consider the public costs and benefits of project operations in the context of a host of contemporary laws and regulations designed to protect environmental resources and water quality, public safety, and power customers. The process calls for significant public participation and engagement of local governments, agencies, and stakeholder advocacy groups.

In the most straightforward cases, a FERC relicensing proceedings is managed by the project owner as an application developed with stakeholder input for FERC's consideration. FERC may simply approve the application or issue an application with mandatory terms and conditions. For controversial projects, such as the PVP, the project owner and stakeholders often negotiate a settlement agreement that specifies conditions of a new license application that settlement parties all agreed to. The benefit of a settlement agreement is that it reduces the risk of litigation by stakeholders and demonstrates community support for a license application, which has some influence on FERC's decision to approve the license. With these considerations in mind, Congressman Jared Huffman initiated an ad hoc committee in early 2017 for discussions among interested parties with a goal of developing a "Two-Basin Solution" scenario that could be advanced for consideration to the state and federal agencies with conditioning authority under the FERC relicensing process.

In May 2018, PG&E announced a desire to sell the PVP, fundamentally because the cost of relicensing, operations, and maintenance is greater than the value of the power produced. However, the PVP has a secondary benefit that is in some ways outside the scope of FERC. The PVP provides a significant out-of-basin diversion to the Russian River watershed that supports agriculture and water supply in Mendocino and Sonoma counties. While the Potter Valley Irrigation District purchases water from PG&E, other water users in the Russian River watershed do not pay for this water or operation of the diversion.

Because of the magnitude of the water diversions and the economic benefits in Mendocino and Sonoma counties, there is considerable interest in maintaining the PVP in some form, despite the project's lack of value as a power plant. Conversely, restorationists, tribes, fishermen, and communities dependent on the Eel River for drinking and irrigation water seek to eliminate or reduce water diversions and decommission all or part of the project. Operation of the PVP has perennially dewatered the Eel River, degraded water quality, affected fluvial processes, and blocked anadromous fish passage into the upper reaches of the Eel River watershed for a century.

EEL RIVER FISHERIES

The Eel River once played host to prolific runs of salmon, steelhead, and Pacific lamprey. Although early fish counts are sparse, commercial canneries were operating at the mouth of the Eel as early as 1854, producing a peak output of 15,000 cases of canned salmon in 1883. Data from the canneries lead researchers to estimate that annual runs of Chinook salmon ranged between 100,000 and 800,000 fish a year. Today, runs of Chinook average about 1,000 fish a year- a 99% decline. The decline of coho, steelhead and Pacific lamprey are of a similar magnitude.²

² Yoshiyama and Moyle, "Historical Review of Eel River Anadromous Salmonids, with Emphasis on Chinook Salmon, Coho Salmon and Steelhead."

California Trout and the UC Davis Watershed Sciences Center recently published a peer-reviewed report detailing the risks of California native fishes. The report notes that all of the Eel's native salmonids (Chinook, Coho, and Steelhead) are listed as threatened under the Endangered Species Act.³

Eel River Chinook runs are considered valuable as they are not supported by a hatchery and thus preserve 'wild' genetics unlike runs on neighboring large rivers such as the Klamath which are hatchery influenced.

THE EEL IS A FEDERALLY DESIGNATED WILD AND SCENIC RIVER

A total of 398 miles of the Eel River and its major tributaries are protected under the National Wild and Scenic Rivers system, with 97 miles classed as Wild, 28 miles as Scenic, and 273 miles as Recreational. About 155 miles of the main stem are designated, from the mouth to a point just below Cape Horn Dam. The Middle Fork is also Wild and Scenic from its confluence with the Eel to the boundary of the Yolla Bolly–Middle Eel Wilderness. The South Fork is designated from its mouth to the Section Four Creek confluence, the North Fork from its mouth to Old Gilman Ranch, and the Van Duzen River from its mouth to Dinsmore Bridge.⁴ These designations effectively preclude the construction of additional dams and diversions in the future.

GENERAL PRINCIPLES

Clearly, the Eel River Basin is important to Humboldt County's economy, cultures, and water resources. Given that the relicensing proceeding currently underway will determine to what extent the next generation of Humboldt residents will enjoy and use Eel River fishery and water resources, four guiding principles are suggested for engaging in the FERC relicensing process and any settlement discussions related to the fate of the PVP and Eel River restoration:

1. Science Based Decision Making. Policy decisions are a product of our beliefs and our values – both of which are predicated on the known facts of a matter. Fisheries and water quality restoration are complex issues guided by a host of scientific disciplines ranging from biology to physics. Our decisions regarding the specific elements of a new PVP FERC operational license, project surrender license, or settlement agreement should be predicated on the best available science that meets the criteria: a) it is generated by a reputable source, b) it has been subject to independent peer review, and c) it discloses the uncertainties associated with any conclusions.⁵
2. Achieve a more Natural Flow Regime. Although dams and diversions have long served to provide for energy, recreation, drinking water, irrigation and flood control, ecologists have come to understand that the native flora and fauna of a given river basin evolved under a natural flow regime that created the complex web of connected life cycles. Today, it is broadly accepted that a fundamental component of river restoration is to, as closely as possible under current conditions, re-create the natural flow regime.⁶
3. Acknowledge and Respect the Regional Needs. Although the PVP was developed as a power project, the resulting water diversion to the neighboring Russian River has become important to

³ Moyle et al., "State of the Salmonids: Status of California's Emblematic Fishes 2017."

⁴ "Wild and Scenic Rivers Program (U.S. National Park Service)."

⁵ Sullivan et al., "Defining and Implementing Best Available Science for Fisheries and Environmental Science, Policy, and Management."

⁶ Poff et al., "The Natural Flow Regime."

Russian River Basin agricultural interests and a direct benefit to the Sonoma County Water Agency and its customers. The PVP links the two watersheds along with the interests of Lake, Humboldt, Mendocino and Sonoma Counties. The reality of this linkage was acknowledged by the county governments in 1978 which led to the formation of the Eel-Russian River Commission. In order to reach a politically and legally durable outcome that serves Humboldt County's interests, the needs of Russian River Basin stakeholders who have depended on PVP diversions for a century will need to be considered.

4. Restore the Eel River Fisheries. The Eel River has provided sustenance to residents of what is now Humboldt County for millennia. After colonization, the abundance of salmon in the Eel River supported canneries from 1857 to 1921 when diversions and aggressive logging practices led to steep and rapid declines.⁷ Humboldt County should seek restoration of the Eel River fisheries that exceeds the minimal requirements of the Endangered Species Act. The Eel River fishery should be restored such that it once again has self-propagating populations of wild Chinook, Summer Steelhead, Winter Steelhead, Pacific Lamprey, and Coho salmon that allow harvest opportunities for Humboldt County's sport, commercial, and tribal fishermen.

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⁷ Yoshiyama and Moyle, "Historical Review of Eel River Anadromous Salmonids, with Emphasis on Chinook Salmon, Coho Salmon and Steelhead."

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Attachment B

April 2018

Re: Humboldt County Engagement in Eel River Management

Humboldt County Board of Supervisors,

The Humboldt County Board of Supervisors and Humboldt County have not established a policy or otherwise formalized input into the Federal Energy Regulatory Commission's proposed relicensing of the two dams on the upper mainstem Eel River. The two dams and associated diversion tunnel are called the "Potter Valley Project" by proponents of continued diversions from the Eel River. The current License Expires on April 14, 2022.

This letter provides a background on the issues at stake in the proposed relicensing and a basis for policy that would protect the interests of Humboldt County implicated in relicensing.

The Eel River, the third largest river in California, flows south to north from Lake County to the Pacific Ocean in Humboldt County. While the mouth of the Eel River is nearly two hundred miles north of the mouth of the Russian River, part of the rivers' headwaters is separated by only two miles. In 1908, those 2 miles were connected by the establishment of a water pipeline that links the two river systems. Eel River water is diverted through this pipeline to turbines which generate a relatively small – and inexorably declining – amount of electricity.

Once used to generate power, the Eel River water is released to flow into the East Fork of the Russian River. The diverted water flows to supply water users from Redwood Valley to northern Marin County. Those water users obtain the water for free.¹

In 2017, the Federal Energy Regulatory Commission (FERC) opened a process to consider renewal of the Eel River dams' 50-year federal license. By the time the current license expires on April 14, 2022, both the Cape Horn and Scott Dams will be more than a century old.

Despite evidence that both dams cause serious harm to Eel River fisheries, including chinook salmon and winter and summer steelhead trout, PG&E is not proposing to "make any major modification to the Project or its operation under the new license."² Additionally, it is not clear whether PG&E intends to seek relicensing. Rather, PG&E may prefer to divest itself of the project.

While it is possible that other interests might in theory find a way to make the dams and diversion at least less of a money-losing proposition, that would depend on turning PG&E's power generation water rights into consumptive water rights that could then be monetized in the Russian River. It is far from clear that such a transmutation could even be accomplished; it would certainly take years to do so. Otherwise, the only party in the Russian River drainage with

¹ Kovner, Guy. 2017. 109-year-old Potter Valley Project the controversial link between Russian and Eel Rivers. Retrieved from https://eelriver.org/wp-content/uploads/2016/10/109-year-old-dam_press-democrat_4.28.2017.pdf

² PG&E. 2018. Potter Valley Project (FERC #77). Retrieved from https://www.pge.com/en_US/safety/electrical-safety/safety-initiatives/potter-valley/potter-valley-project.page?WT.mc_id=Vanity_pottervalley

any right to Eel River water is the Potter Valley Irrigation District (PVID), which holds less than 10,000 acre feet of rights to Eel River water.

Meanwhile, any new owner would still face the same substantial challenges as PG&E in continuing relicensing. There is no path forward for the Eel River dams and diversion that does not go through FERC relicensing. Part of this process will include the National Marine Fisheries Service (NMFS) requiring provisions for fish passage as part of any new license. Scott Dam is 138 feet tall and has no fish passage at all. The agency has made it clear that it will prioritize 'volitional' passage, which would allow fish at any life stage to move up and down the river past the dam at any time.

Similarly, the State Water Resources Control Board (SWRCB) has authority to include mandatory conditions on any new license to protect water quality, as for example from the very high levels of methylmercury accumulation noted in the reservoir. Because we already know that electrical generation from the dams and diversion tunnel doesn't even cover the costs of maintaining the structures, it is hard to give much credence to suggestions that the dam would be relicensed to produce even less power than it does today. But it is even less realistic to suggest that the dams will even continue to produce the limited amount of power they produce under today's conditions.

Finally, any potential purchaser of the dams and diversion tunnel must reckon with the potential costs associated with the dams' substantial liabilities. Not only do the dams kill salmon, harbor predatory pike minnow, and impair water quality: there are many reasons to be very concerned about their integrity and the danger dam failure may present to downstream communities. Not only was the construction of Scott Dam changed in mid-construction, but the slope the dam is attached to continues to move. PG&E and dam safety officials assure the public Scott Dam is safe, but those assurances are based on precisely the same inspections that said the Oroville Dam had no foreseeable problems. In fact, Scott Dam was built only a mile or so from a large earthquake fault.

REASONS TO ENGAGE IN THE FEDERAL ENERGY REGULATORY COMMISSION PROCESS

ECOLOGICAL HEALTH

The Eel River is home to many wonderful flora and fauna, including three salmonid species listed under the federal and state Endangered Species Acts; California Coastal Chinook, Southern Oregon Northern California Coho, and Northern California Steelhead. Additionally, the Eel River provides habitat to numerous wildlife species not considered endangered. Eel River fisheries have been essential to tribal peoples for millennia, and the mainstay of commercial and recreational fishers through most of the twentieth century. In fact, the Eel River supported a commercial salmon fishery during the late-19th and early-20th centuries, producing a peak output of 15,000 cases of canned salmon during 1883. The cannery data can be roughly translated into population estimates for historic runs of Chinook salmon that ranged between

100,000 and 800,000 fish per year, declining to roughly 50,000-100,000 fish per year in the first half of the 20th century.³ Today, however, these fisheries are facing extinction.

Scott Dam, which allows no fish passage at all, blocks access to more than 250 miles of high-quality spawning habitat in cold, clean streams on the Mendocino National Forest. While the lower Cape Horn dam has a fish ladder, there is increasing evidence the reach between the two dams is an ecological trap for young salmonids, because cold water flows from the upper dam delay downstream migration until temperatures in the mainstem Eel are dangerously high. Refer to Figure 1 for Eel River watershed temperature monitoring data showing high temperature ranges in the mainstem.

The National Marine Fisheries Service has concluded that it will be necessary to remove Scott Dam to restore the Upper Mainstem Eel River population of steelhead. Similarly, in its 2017 Multi-Species Recovery Plan, the agency noted the benefits to the Upper Eel River population of chinook salmon from removal of Scott Dam (emphasis added):

Thirty to forty-five miles of historical Chinook habitat is blocked by Scott Dam. **Of this, much of the highest quality spawning habitat is inundated by Lake Pillsbury. Therefore, a fish passage facility *only* providing access over Scott Dam may not yield desired productivity targets for Chinook salmon.** Thorough investigations need to occur to determine if decommissioning of Scott Dam is a feasible option and if it is necessary to achieve long-term viability of the Upper Eel River Chinook population. **If decommissioning of Scott Dam were to occur, the return of the natural hydrologic regime, sediment transport, and habitat availability would improve historical spawning habitat and flow regimes for the rearing and outmigration of juvenile Chinook salmon.** The FERC re-licensing process for the Potter Valley Project begins in 2017 and will require thorough evaluations of all potential impacts associated with the Potter Valley Project. These evaluations may require additional measures than those that currently exist to ensure that the Upper Eel River Chinook population is on a viable long-term recovery trajectory.

Research indicates that allowing fish passage at Scott Dam would open roughly 79 miles of Chinook habitat, 288 miles of Steelhead rearing habitat, and 181 miles of Steelhead spawning habitat.⁴ In 2015, and throughout the drought, low-flow conditions within the Eel River exposed salmon to disease, predation, and poor water quality. At that time the Wiyot Tribe Natural Resources Directory advised that “Agencies need to emphasize restoration projects in the estuary to ensure quality holding habitat. Furthermore, water diversion of all types urgently need to be addressed to return Eel River flows to natural levels.” During that same period of time fishing

³ Yoshiyama, Ronald and Moyle, Peter. 2010. Historical Review of Eel River Anadromous Salmonids, with Emphasis on Chinook Salmon, Coho Salmon and Steelhead. Retrieved from https://eelriver.org/wp-content/uploads/2017/07/Yoshiyama-Moyle_Historical-Review-of-Eel-River-Anadromous-Salmonids-Final-Report-2010.pdf

⁴ Cooper, Emily. 2017. An Estimation of Salmonid Habitat Capacity in the Upper Mainstem Eel River. Retrieved from https://eelriver.org/wp-content/uploads/2017/05/An-Estimation-of-Salmonid-Habitat-Capacity-in-the-Upper-Mainstem-Eel-River_Emily-Cooper_3.2017.pdf

guide Eric Stockwell reported observing fish going blind in the low water quality conditions.⁵ The survival of these fish species depends upon increasing seasonal low flow levels, decreasing annual high-water temperatures, and opening fish passage to habitat beyond the dams.

PUBLIC SAFETY: DAM STABILITY

Scott Dam was built on unstable geology. Movement of the underlying geology lead to dam failure.⁶⁷ In the wake of the near-disaster at the Oroville Dam, roughly half the age of the Eel River dams, concerns about the integrity especially of Scott Dam have not been persuasively addressed.

PUBLIC SAFETY: MUNICIPAL WATER SUPPLY

In June of 2014, the State Water Resources Control Board issued a notice to the City of Rio Dell that they no longer had a legal right to draw more than 50-gallons per day per resident of water out of the Eel River to supply citizens.⁸ The Eel River is the city's sole source of water.⁹ Under the curtailment agricultural use of water was forbidden.¹⁰ The crisis was based on the determination that there was not sufficient water available to supply the citizens of Rio Dell after satisfying senior water rights, including those belonging to the town of Scotia immediately upriver. During the curtailment of Rio Dell's municipal water supply PG&E continued to divert Eel River water out of the basin to supply irrigation water to the Potter Valley Irrigation District.¹¹

LOCAL ECONOMY

While there is no longer commercial fishing on the Eel River, salmon and steelhead from the Eel are a part of the commercial ocean fishery. Protecting these fish and abundant water flows supports the local economy. For example, economic stimulations derived from Eel River, nature-based tourism and recreation activities have previously been estimated to be over \$3,000,000 annually.¹²

We recommend that the Humboldt County Board of Supervisors allocate resources to allow for full participation in the FERC relicensing process to ensure management of the Eel River's

⁵ Houston, Will. 2015. Eel River salmon go blind awaiting rain. Retrieved from <http://www.times-standard.com/article/NJ/20151027/NEWS/151029830>

⁶ PG&E. 2016. Scott Dam FERC Part 3 Safety Review. Retrieved from <https://eelriver.org/wp-content/uploads/2017/07/Scott-Dam-Geology-and-Seismicity-9.2016.pdf>

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¹² Ihara, Daniel and Marshall, Matthew. 2004. Economic Benefits to Mendocino and Lake Counties from Removing the Dams on the Eel River. Retrieved from <https://eelriver.org/wp-content/uploads/2016/08/Economic-Benefits-to-Mendocino-Lake-Counties.pdf>

resources in a manner that is beneficial to Humboldt County. Full participation ought to include the development of formalized positions and policies related to the Federal Energy Regulatory Commission's proposed relicensing of the two dams on the upper mainstem Eel River.

ANNUAL ADVOCACY ACTIVITIES

Below is list of the type of activities that a Humboldt County representative ought to engage in to support Eel River advocacy work:

- Review of environmental studies pertaining to the Eel River.
- Participation in FERC stakeholder meetings, including:
 - The Eel-Russian River Commission
- Information review, synthesis and dissemination.
- Develop Humboldt County position on dam and river management.
- Advocate for Humboldt County position on dam and management.

Sincerely,
Humboldt County Fish & Game Advisory Commission.

Attachment C

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of June 5, 2018

RESOLUTION NO. 18-56

**RESOLUTION ADOPTING THE COUNTY OF HUMBOLDT'S POSITION REGARDING
THE FUTURE OF THE POTTER VALLEY PROJECT ON THE EEL RIVER**

WHEREAS, the Potter Valley Project, currently owned by Pacific Gas & Electric (PG&E), was constructed on the main stem of the Eel River in Mendocino County between 1905 and 1922 to generate hydroelectric power, and through its operation serves as an inter-basin transfer of water from the Eel River basin to the Russian River basin; and

WHEREAS, the benefits of water diversions to the Russian River have come at the expense of substantial downstream impacts to the Eel River and its fisheries; and

WHEREAS, the main stem of the Eel River flows through Humboldt County for approximately 81 river miles before discharging into the Pacific Ocean; and

WHEREAS, the export of water from North Coast watersheds is one of Humboldt County's most significant water resource policy issues; and

WHEREAS, the ecosystem services and beneficial uses of the Eel River are a vital part of Humboldt County's core community values; and

WHEREAS, residents and communities within Humboldt County depend on the Eel River for water supply, fishing, recreation, and many other uses; and

WHEREAS, the County of Humboldt recognizes the importance of the Eel River to the Wiyot Tribe, Bear River Rancheria, Blue Lake Rancheria, Round Valley Indian Tribes, and other affected tribes for ceremonial, medicinal, practical, and subsistence uses; and

WHEREAS, the Potter Valley Project has contributed to habitat degradation, declining fish populations, economic losses, and loss of recreational opportunities within Humboldt County; and

WHEREAS, the Potter Valley Project has redistributed the natural wealth of the Eel River to the detriment of downstream communities in Humboldt County; and

WHEREAS, the Potter Valley Project has deprived the residents of Humboldt County from fully utilizing the resources of the Eel River; and

WHEREAS, PG&E's hydropower license for the Potter Valley Project expires on April 14, 2022; and

WHEREAS, Congressman Jared Huffman convened an ad hoc committee of interested parties in 2017 to work toward a two-basin solution that addresses issues and concerns in the Eel River and Russian River watersheds; and

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of June 5, 2018

RESOLUTION NO. 18-56

WHEREAS, PG&E announced, on May 10, 2018, its intent to put the Potter Valley Project up for auction; and

WHEREAS, the County of Humboldt has a duty, as a political subdivision of the State of California, to protect and restore the natural resources within County boundaries.

NOW, THEREFORE, BE IT RESOLVED THAT THE HUMBOLDT COUNTY BOARD OF SUPERVISORS ADOPTS THE FOLLOWING POSITION STATEMENT REGARDING THE FUTURE OF THE POTTER VALLEY PROJECT:

- The County of Humboldt believes that decommissioning and full or partial removal of the Potter Valley Project is inevitable due to the aging infrastructure, low power production, and high cost of upgrading the facility to comply with current dam safety and environmental regulations.
- The County of Humboldt believes that restoration of fish populations in the Eel River will be best achieved through removal of Scott Dam to allow volitional fish passage to spawning and rearing habitat historically used by migrating salmonids.
- The County of Humboldt will actively participate in the hydropower re-licensing process administered by the Federal Energy Regulatory Commission, Congressman Jared Huffman's Potter Valley Project Ad Hoc Committee, and discussions exploring the potential transfer of the Potter Valley Project to a regional (multi-county) entity.
- The County of Humboldt recognizes that the Potter Valley Project provides tangible benefits to other counties and supports a collaborative approach to solving the regional issues and concerns.
- The County of Humboldt supports Congressman Huffman's call for a two-basin solution with co-equal goals and believes that consideration of Russian River water users' interests will be essential to achieving a comprehensive solution.
- The County of Humboldt will advocate strongly on behalf of the water users and natural resources within Humboldt County for water supply reliability, fish populations that support sustainable harvest opportunities, and full restoration of beneficial uses within the Eel River.
- The County of Humboldt will advocate for elimination of summer and fall water diversions and restoration of the Eel River's natural flow regime to restore and enhance fisheries, water quality, water supply, and recreational opportunities.
- The County of Humboldt will advocate for thorough consideration of the decommissioning alternative through the hydropower re-licensing process.

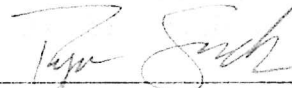
BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings. Meeting of June 5, 2018

RESOLUTION NO. 18-56

- The County of Humboldt will advocate for PG&E (or its successor) to sponsor a participatory process involving all affected stakeholders prior to the submittal of a final re-licensing application.
- The County of Humboldt will advocate for technical studies that fully address the primary concerns for Eel River watershed health and sustainability, which include: fish passage necessary for access to spawning and rearing habitat above Scott Dam; fish passage survival at Cape Horn Dam (for both adults and juveniles); downstream geomorphic effects; effects on environmental cues (flow and temperature) for migrating salmonids and other fish species; effects on invasive species (such as the Sacramento pikeminnow); effects on tribal uses and resources; and effects on downstream municipal, domestic, and agricultural water supply.
- With regard to a potential regional entity assuming operation of the facility, the County of Humboldt will advocate for full recovery of the County's costs; protection from liability; fair and equitable representation in the governance structure; and assurances that the needs of the Eel River and downstream communities will be satisfied.

Dated: June 5, 2018



Ryan Sundberg, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Fennell, seconded by Supervisor Wilson, and the following vote:

AYES:	Supervisors	Bohn, Sundberg, Fennell, Wilson, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By Ryan Sharp
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

Attachment D



Copyright: © 2014 Esri

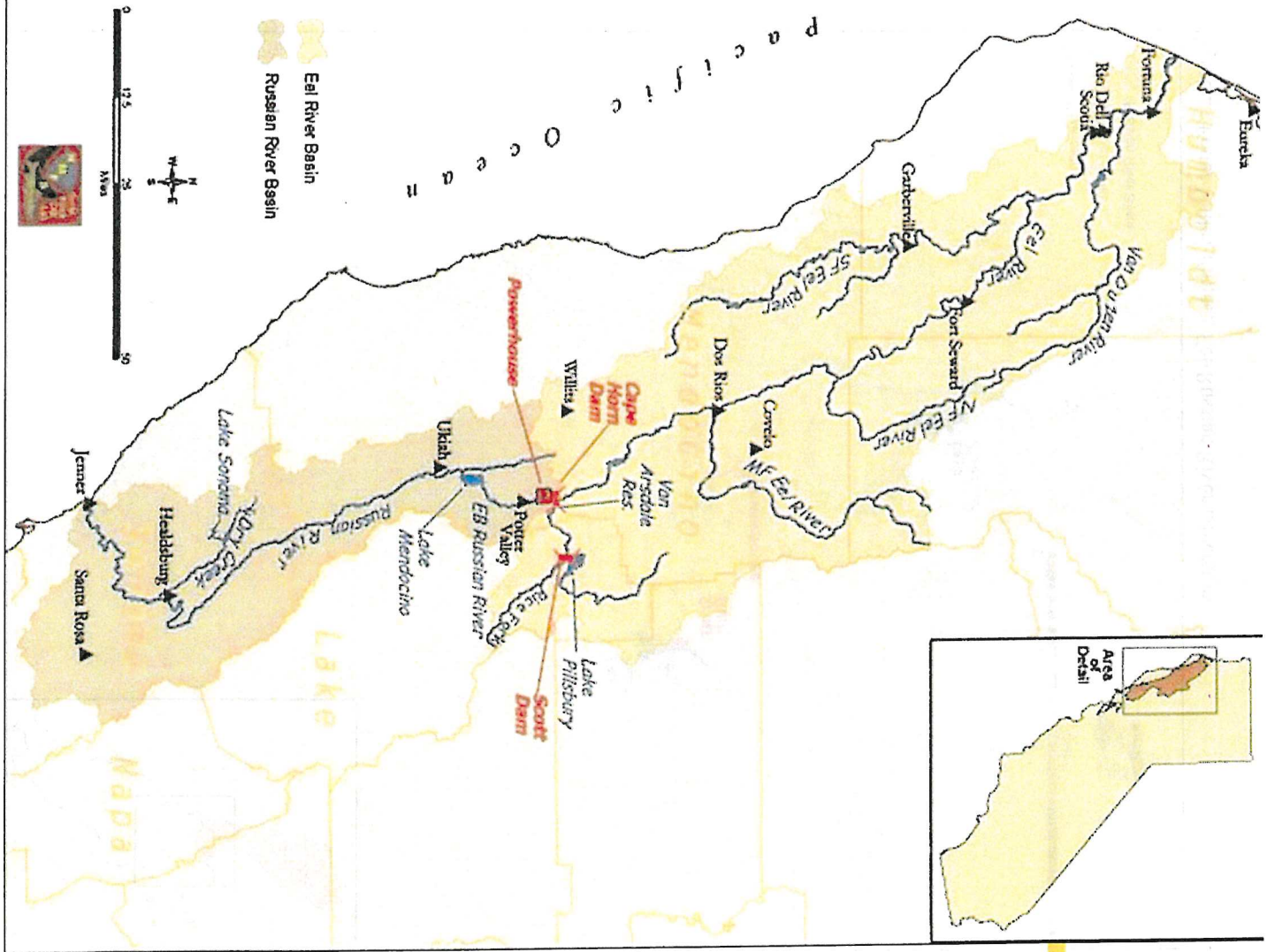
Eel River Watershed with County Boundaries



Imagery: ESRI Basemap Service
Created: May 11, 2018
Humboldt County Public Works



0 5 10 Miles
1:750,000



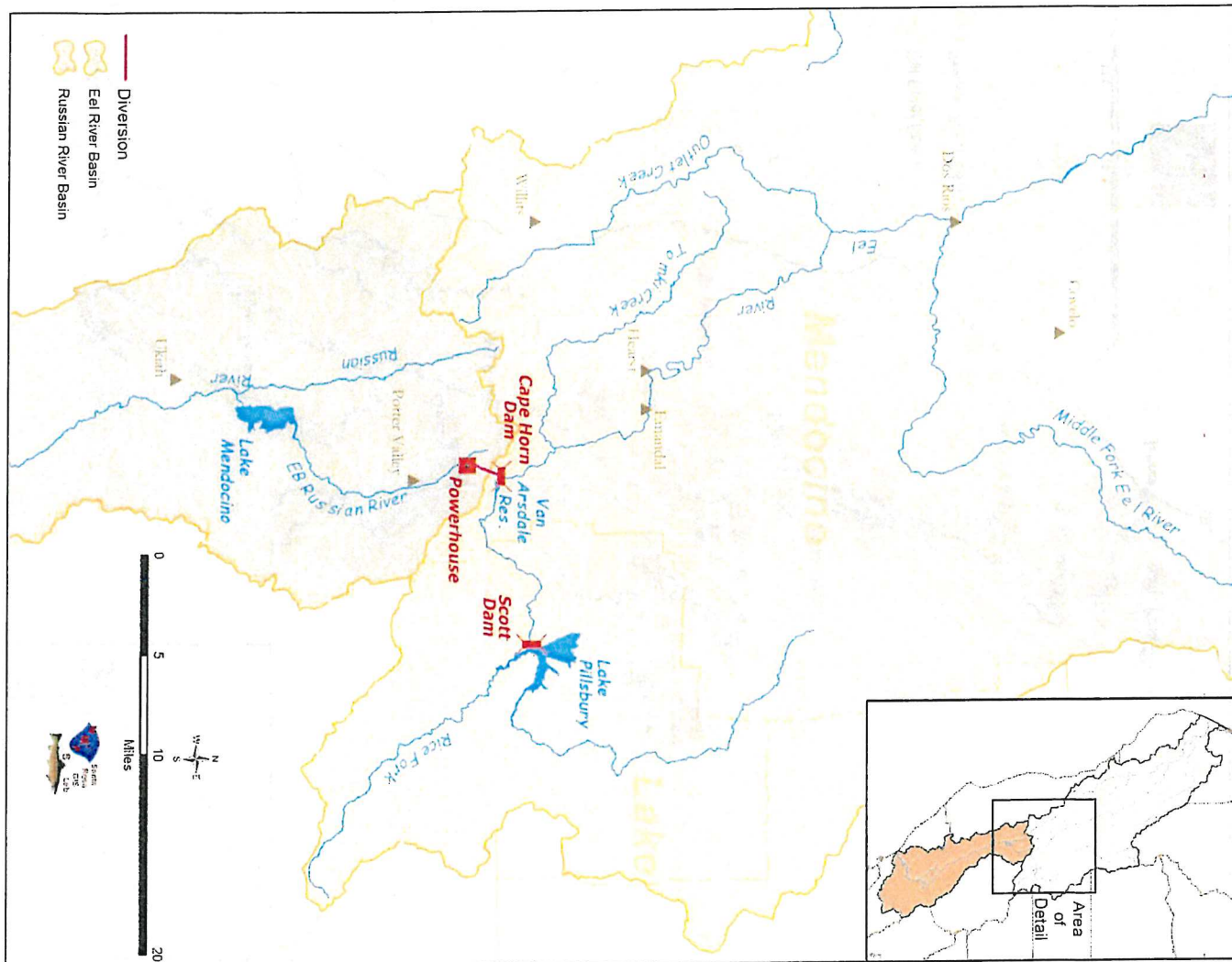
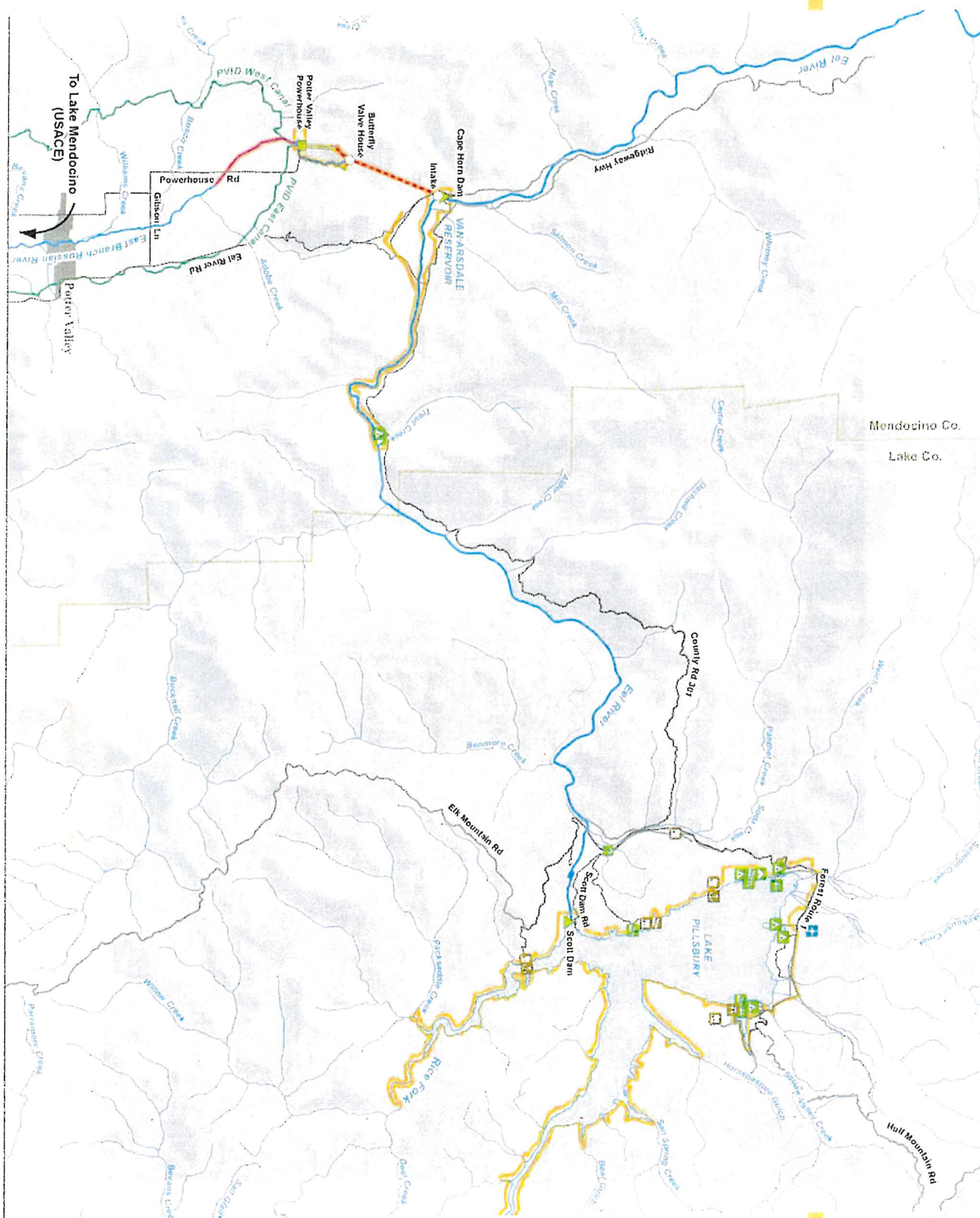
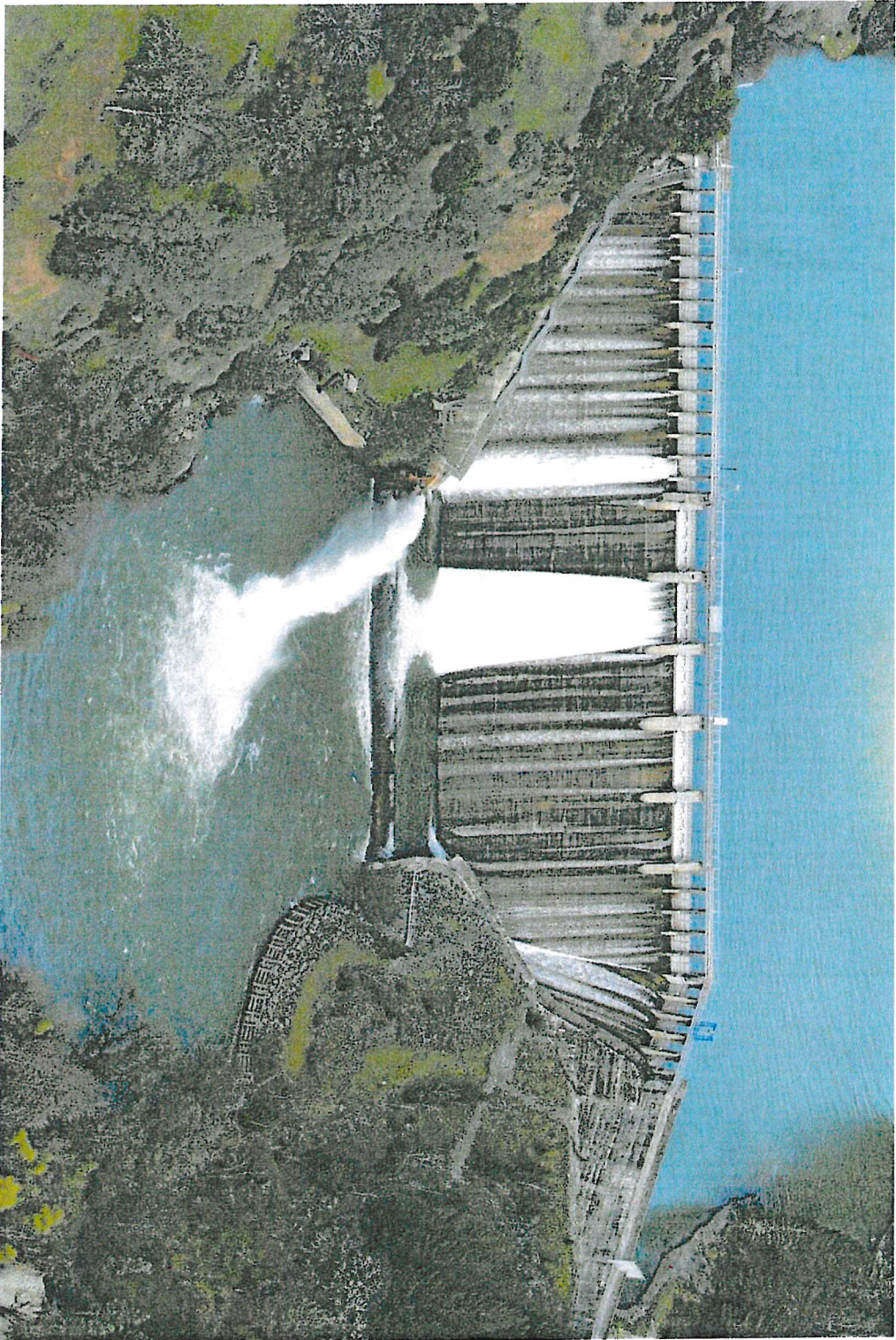


Figure 2. Potter Valley Project, Eel-Russian River Diversion



Scott Dam / Lake Pillsbury



Cape Horn Dam / Van Arsdale Reservoir



Van Arsdale Reservoir & Intake



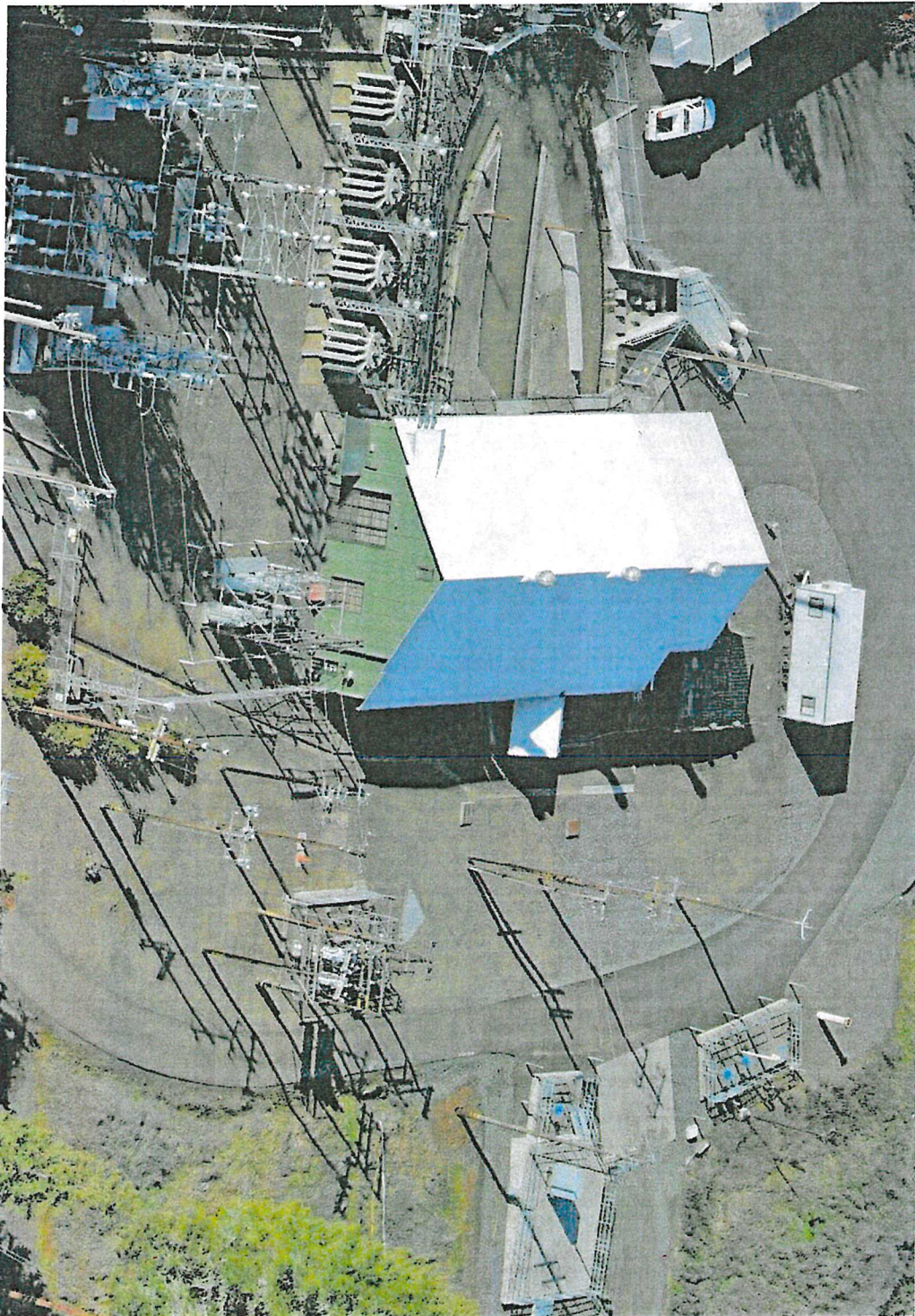
Van Arsdale Intake Fish Screens



Wood Stave Conduit



Potter Valley Powerhouse



Lake Mendocino



Potter Valley Project History

- Cape Horn Dam, diversion, & powerhouse (1905-08) - Eel Power & Irrigation Co. / Snow Mt. Water & Power Co. (1906)
- Scott Dam (1920-21) / 10-ft high increase (1925)
- Water for irrigation (1924)
- PVID irrigation contract (1926)
- PG&E acquired project (1930)

FERC Relicensing (1922-83)

- FPC 50-year license (1922)
- Protracted relicensing process (1970-83)
 - Study Agreement (1979) to evaluate flows
 - 3-Year Fisheries Study (1979-82)
 - Settlement Agreement (1982)
- New FERC License (1983)

FERC Relicensing 1983 to Present

- 10-Year Fisheries Study (1985-96)
- ESA listing for Chinook salmon & steelhead (1999, 2000)
- NMFS Biological Opinion – RPA (2002)
- Amended FERC license (2004)
 - Incorporated RPA
 - Addressed beneficial water uses

Amended FERC License: Primary Water Use Drivers

- Power production
- Eel River fisheries protection
- Russian River
 - Irrigation (PVID & SCWA)
 - Fisheries protection
- Recreation
 - Lake Pillsbury storage

Van Arsdale Fisheries Station – Chinook Salmon



Van Arsdale Fisheries Station - Steelhead



Attachment E

U.S. Drought Monitor California

October 25, 2011
(Released Thursday, Oct. 27, 2011)
Valid 7 a.m. EST

Drought Conditions (Percent Area)										
None	D0	D1	D2	D3	D4	D5	D6	D7	D8	D9
Current	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Last Week	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Months Ago	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Start of season	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Calendar Year	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wettest Year	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Driest Year	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
One Year Ago	0.25	10.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought
 D5-D9 Not used

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
 David Miskus
 NOAA/NWS/NCEP/OPC



U.S. Drought Monitor California

October 22, 2013
(Released Thursday, Oct. 24, 2013)
Valid 7 a.m. EDT

Drought Conditions (Percent Area)										
None	D0	D1	D2	D3	D4	D5	D6	D7	D8	D9
Current	2.65	97.34	95.58	84.12	11.35	0.00	0.00	0.00	0.00	0.00
Last Week	2.65	97.34	95.58	84.12	11.35	0.00	0.00	0.00	0.00	0.00
3 Months Ago	0.00	100.00	92.23	63.86	0.00	0.00	0.00	0.00	0.00	0.00
Start of season	31.75	68.25	55.32	22.50	0.00	0.00	0.00	0.00	0.00	0.00
Calendar Year	2.03	97.97	95.95	84.12	11.35	0.00	0.00	0.00	0.00	0.00
Wettest Year	0.75	93.35	68.48	19.10	1.14	0.00	0.00	0.00	0.00	0.00
Driest Year	0.75	93.35	68.48	19.10	1.14	0.00	0.00	0.00	0.00	0.00
One Year Ago	0.75	93.35	68.48	19.10	1.14	0.00	0.00	0.00	0.00	0.00

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought
 D5-D9 Not used

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
 Brian Fuchs
 National Drought Mitigation Center



U.S. Drought Monitor California

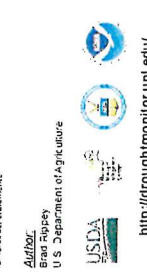
October 23, 2012
(Released Thursday, Oct. 25, 2012)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)										
None	D0	D1	D2	D3	D4	D5	D6	D7	D8	D9
Current	5.72	92.22	63.48	19.10	1.14	0.00	0.00	0.00	0.00	0.00
Last Week	5.61	93.35	63.48	19.10	1.14	0.00	0.00	0.00	0.00	0.00
3 Months Ago	11.61	83.35	51.60	23.85	0.29	0.00	0.00	0.00	0.00	0.00
Start of season	23.31	70.09	49.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Calendar Year	11.61	83.35	51.60	23.85	0.29	0.00	0.00	0.00	0.00	0.00
Wettest Year	11.61	83.35	51.60	23.85	0.29	0.00	0.00	0.00	0.00	0.00
Driest Year	11.61	83.35	51.60	23.85	0.29	0.00	0.00	0.00	0.00	0.00
One Year Ago	11.61	83.35	51.60	23.85	0.29	0.00	0.00	0.00	0.00	0.00

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought
 D5-D9 Not used

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
 Brad Rippey
 U.S. Department of Agriculture



U.S. Drought Monitor California

October 28, 2014
(Released Thursday, Oct. 30, 2014)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)										
None	D0	D1	D2	D3	D4	D5	D6	D7	D8	D9
Current	0.00	100.00	100.00	95.04	81.92	58.41	0.00	0.00	0.00	0.00
Last Week	0.00	100.00	100.00	95.04	81.92	58.41	0.00	0.00	0.00	0.00
3 Months Ago	0.00	100.00	100.00	100.00	81.92	58.41	0.00	0.00	0.00	0.00
Start of season	2.01	97.99	84.25	65.53	27.55	0.00	0.00	0.00	0.00	0.00
Calendar Year	0.00	100.00	100.00	95.04	81.92	58.41	0.00	0.00	0.00	0.00
Wettest Year	2.65	97.34	95.58	84.12	11.35	0.00	0.00	0.00	0.00	0.00
Driest Year	2.65	97.34	95.58	84.12	11.35	0.00	0.00	0.00	0.00	0.00
One Year Ago	2.65	97.34	95.58	84.12	11.35	0.00	0.00	0.00	0.00	0.00

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought
 D5-D9 Not used

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
 Brian Fuchs
 National Drought Mitigation Center



U.S. Drought Monitor California

October 27, 2015
(Released Thursday, Oct. 29, 2015)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)									
None	D0	D1	D2	D3	D4	D5	D6	D7	D8
Current	0.14	99.86	97.33	92.27	71.08	48.00			
Last Week	0.14	99.86	97.33	92.27	71.08	48.00			
3 Months Ago	0.14	99.86	97.33	92.27	71.08	48.00			
Start of	0.00	100.00	98.12	94.34	77.94	22.71			
Calendar Year	0.00	100.00	98.12	94.34	77.94	22.71			
Water Year	0.14	99.86	97.33	92.27	71.08	48.00			
One Year Ago	0.00	100.00	100.00	95.04	81.82	58.41			

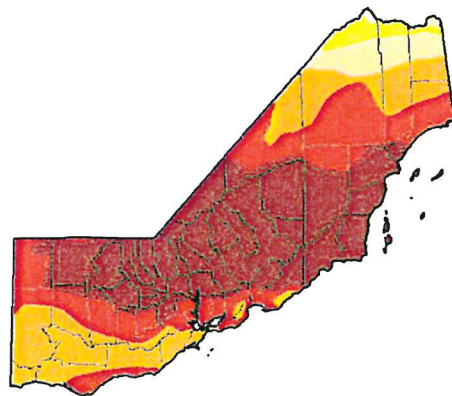
Intensity:
 D0: Extreme Drought
 D1: Moderate Drought
 D2: Severe Drought
 D3: Very Severe Drought
 D4: Exceptional Drought
 D5: Catastrophic Drought
 D6: Devastating Drought
 D7: Life-threatening Drought
 D8: Uninhabitable Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for more detail.

Author:
Brad Rippey
U.S. Department of Agriculture



<http://droughtmonitor.unl.edu/>



U.S. Drought Monitor California

October 24, 2017
(Released Thursday, Oct. 26, 2017)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)									
None	D0	D1	D2	D3	D4	D5	D6	D7	D8
Current	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
Last Week	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
3 Months Ago	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
Start of	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
Calendar Year	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
Water Year	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00
One Year Ago	77.52	22.12	2.25	0.00	0.00	0.00	0.00	0.00	0.00

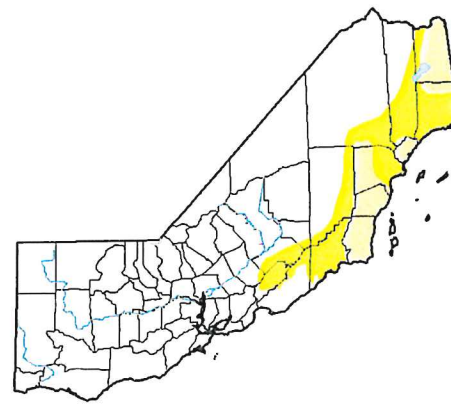
Intensity:
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 D1: Moderate Drought
 D2: Severe Drought
 D3: Very Severe Drought
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 D6: Devastating Drought
 D7: Life-threatening Drought
 D8: Uninhabitable Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for more detail.

Author:
Eric Lundergan
U.S. Department of Agriculture



<http://droughtmonitor.unl.edu/>



U.S. Drought Monitor California

October 25, 2016
(Released Thursday, Oct. 27, 2016)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)									
None	D0	D1	D2	D3	D4	D5	D6	D7	D8
Current	8.9%	91.0%	81.1%	61.8%	42.8%	21.0%			
Last Week	7.7%	82.2%	61.1%	91.8%	42.8%	21.0%			
3 Months Ago	3.0%	100.0%	82.6%	52.0%	22.8%	21.0%			
Start of	3.0%	100.0%	82.6%	52.0%	22.8%	21.0%			
Calendar Year	3.0%	100.0%	82.6%	52.0%	22.8%	21.0%			
Water Year	3.0%	100.0%	82.6%	52.0%	22.8%	21.0%			
One Year Ago	3.1%	99.8%	97.3%	82.2%	71.0%	48.0%			

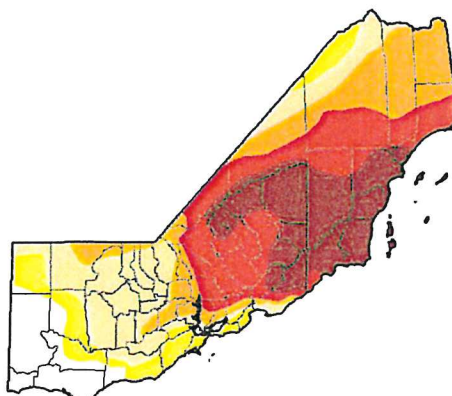
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 D7: Life-threatening Drought
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The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for more detail.

Author:
David Sirenal
Western Regional Climate Center



<http://droughtmonitor.unl.edu/>



U.S. Drought Monitor California

October 23, 2018
(Released Thursday, Oct. 25, 2018)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)									
None	D0	D1	D2	D3	D4	D5	D6	D7	D8
Current	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
Last Week	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
3 Months Ago	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
Start of	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
Calendar Year	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
Water Year	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%
One Year Ago	17.1%	34.3%	47.5%	16.1%	2.7%	0.0%	0.0%	0.0%	0.0%

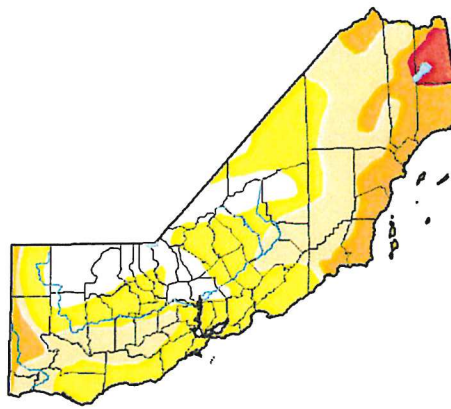
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The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for more detail.

Author:
Eric Lundergan
U.S. Department of Agriculture



<http://droughtmonitor.unl.edu/>



1. The first part of the report is a general description of the project and its objectives. It includes a brief history of the project and a statement of the problem to be solved.

2. The second part of the report is a detailed description of the methodology used in the study. It includes a description of the data collection methods, the statistical methods used, and the results of the analysis.

3. The third part of the report is a discussion of the results of the study. It includes a comparison of the results with the objectives of the project and a discussion of the implications of the findings.

4. The fourth part of the report is a conclusion and a list of references. The conclusion summarizes the main findings of the study and the references list the sources of information used in the study.

5. The fifth part of the report is a list of appendices. These include a list of the data used in the study, a list of the statistical methods used, and a list of the results of the analysis.

6. The sixth part of the report is a list of figures and tables. These include a list of the figures used in the study, a list of the tables used, and a list of the results of the analysis.

7. The seventh part of the report is a list of references. These include a list of the sources of information used in the study, a list of the statistical methods used, and a list of the results of the analysis.

8. The eighth part of the report is a list of appendices. These include a list of the data used in the study, a list of the statistical methods used, and a list of the results of the analysis.

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: November 6, 2018

☐ Consent Item; ☒ Public Hearing Item

To: City Council

From: Kevin Caldwell, Community Development Director

Through: Kyle Knopp, City Manager

Date: November 1, 2018

Subject: LAFCO Municipal Service Review and Sphere of Influence Report.

Recommendation:

That the City Council:

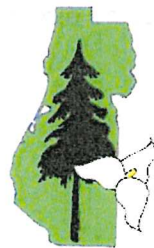
1. Hear the presentation from LAFCO staff regarding the City's Municipal Service Review and Sphere of Influence Report; and
2. Open the public hearing and receive comments; and
3. Discuss among the Council, staff and LAFCO staff and provide direction regarding any recommended changes.

City of Rio Dell

Municipal Service Review

City Review Draft

November 1, 2018



HUMBOLDT
Local Agency Formation Commission

www.humboldtlafo.org

HUMBOLDT LOCAL AGENCY FORMATION COMMISSION

Commissioners:

Virginia Bass, District 4 Supervisor
Estelle Fennell, District 2 Supervisor
Frank Jager, City of Eureka
Gordon Johnson, City of Rio Dell
Troy Nicolini, Samoa Peninsula Fire Protection District
Debra Lake, Fruitland Ridge Fire Protection District
Robert McPherson, Public Member

Alternate Members:

Ryan Sundberg, District 5 Supervisor
Sue Long, City of Fortuna
David Couch, McKinleyville Community Services District
Skip Jorgensen, Public Member

Staff:

Colette Metz, AICP, Executive Officer
Sarah West, LAFCo Analyst/Clerk
Emily Morris, Assistant Planner
Jason Barnes, GIS Analyst
Paul Brisso, Legal Council

Acknowledgments:

LAFCo staff would like to thank the contributors to this Municipal Service Review. Input instrumental in completing this report was provided by City Manager Kyle Knopp, City Clerk Karen Dunham, City Finance Director Brooke Kerrigan, and Community Development Director Kevin Caldwell.

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1.0

MSR/SOI BACKGROUND

1.1 Role and Responsibility of LAFCo

Local Agency Formation Commissions (LAFCOs) are independent regulatory commissions that were established by the State legislature in 1963 to encourage the orderly growth and development of local governmental agencies including cities and special districts. Today, there is a LAFCo in each of California's 58 counties. Humboldt LAFCo is a seven-member commission comprised of two members of the Humboldt County Board of Supervisors, two City Council members, two Special District representatives, and one Public Member-At-Large. The Commission also includes one alternate member for each represented category.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act") (California Government Code Section 56000 *et seq.*) for purposes of facilitating changes in local governmental structure and boundaries that fosters orderly growth and development, promotes the efficient delivery of services, and encourages the preservation of open space and agricultural lands. Some of LAFCo's duties include regulating jurisdictional boundary changes and the extension of municipal services. This includes city and special district annexations, incorporations/formations, consolidations, and other changes of organization. LAFCo seeks to be proactive in raising awareness and building partnerships to accomplish this through its special studies, programs, and actions.

The CKH Act outlines requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of "discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (§56301). CKH Act Section 56301 further establishes that "one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities." SOIs, therefore, guide both the near-term and long-term physical and economic growth and development of local agencies, and MSRs provide the relevant data to inform LAFCo's SOI determinations.

1.2 Purpose of Municipal Service Reviews

As described above, MSRs are designed to equip LAFCo with relevant information and data necessary for the Commission to make informed decisions on SOIs. The CKH Act, however, gives LAFCo broad discretion in deciding how to conduct MSRs, including geographic focus, the scope of the study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services. The purpose of an MSR, in general, is to provide a comprehensive inventory and analysis of the services provided by local municipalities, service areas, and special districts. An MSR evaluates the structure and

operation of the local municipalities, service areas, and special districts and discusses possible areas for improvement and coordination. While LAFCOs have no direct regulatory authority over cities and special districts, MSR's provide information concerning the governance structures and efficiencies of service providers – and may also serve as the basis for subsequent LAFCo decisions. The MSR is intended to provide information and analysis to support a sphere of influence update. A written statement of the study's determinations must be made in the following areas:

1. Growth and population projections for the affected area
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies
4. The financial ability of the agency to provide services
5. Status of and opportunities for shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by Commission policy

This MSR is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document.

1.3 Purpose of Spheres of Influence

In 1972, LAFCOs were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by the CKH Act, "'sphere of influence' means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission" (§56076). All boundary changes, such as annexations, must be consistent with an agency's sphere of influence with limited exceptions.

Pursuant to Humboldt LAFCo policy, an MSR is conducted prior to or in conjunction with its mandate to review and update each local agency's sphere of influence every five years or as necessary. The municipal service review process is intended to inform the Commission as to the availability, capacity, and efficiency of local government services prior to making sphere of influence determinations.

LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that addresses the following (§56425(c)):

1. The present and planned land uses in the area, including agricultural and open space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Service reviews may also contain recommendations for sphere of influence or government structure changes needed to implement positive service changes. Where more detailed analysis of service options is necessary, service reviews may contain recommendations for special studies where there is the potential to reduce service gaps and improve service levels.

1.4 Disadvantaged Unincorporated Communities

SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to "disadvantaged unincorporated communities," including the addition of SOI determination number 5 listed above. Disadvantaged unincorporated communities, or "DUCs," are inhabited territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income.

Humboldt LAFCo has adopted DUC policy, which identifies 31 inhabited unincorporated "legacy" communities for purposes of implementing SB 244. These legacy communities were defined as part of the Humboldt County 2014 Housing Element for areas not located within the sphere of influence of a city. Therefore, additional review is needed to determine "disadvantaged unincorporated communities" within and adjacent to city spheres of influence. As such, this MSR will document DUCs associated with the City of Ferndale SOI.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal, unless an application to annex the DUC has been filed with LAFCo. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out under-served, inhabited areas with infrastructure deficiencies and lack of access to reliable potable water and wastewater services. DUCs are recognized as social and economic communities of interest for purposes of recommending SOI determinations pursuant to Section 56425(c).

1.5 Organization of MSR/SOI Study

This report focuses on key issues that may be particularly relevant to the subject agency while providing required LAFCo MSR and SOI determinations. This report provides the following:

- A description of the subject agency;
- Any new information since the last MSR and a determination regarding the need to update the SOI;
- MSR determinations for Commission review; and
- Identifies any other issues that the Commission should consider in the MSR/ SOI.

2.0 AGENCY OVERVIEW

2.1 Overview

Table 1: City of Rio Dell Profile	
FORMATION	
Agency Name	City of Rio Dell
Incorporation Date	February 23, 1965
Enabling Legislation	General Law City, California Constitution, Article 11, Section 2, and California Government Code §34000 et seq.
CONTACT	
Primary Contact	Kyle Knopp, City Manager
E-mail	cityhall@cityofriodell.ca.gov
Mailing Address	675 Wildwood Avenue, Rio Dell, CA 95562
Phone	707.764.3532
Website	www.cityofriodell.ca.gov
GOVERNANCE	
Governing Body	City Council
Meeting Schedule	First and third Tuesday of every month, 6:30 PM
Meeting Location	Rio Dell City Hall, 675 Wildwood Avenue, Rio Dell, CA 95562
SERVICES	
Services Provided	Water, wastewater, stormwater drainage, streets and street lighting, parks and recreation, and law enforcement
Areas Served	Incorporated City Limits – approximately 2.5 square miles

The City of Rio Dell is located along US Highway 101 within the Eel River Valley, approximately two miles southeast from the City of Fortuna and north of the Town of Scotia. Rio Dell is primarily a residential community with commercial land uses along Wildwood Avenue, the main street through town.

The City of Rio Dell was incorporated in 1965 as a "General Law City" and is governed by a five-member city council whose members are elected at large. The city provides a full range of municipal services, including water, wastewater, Law Enforcement, Storm Drainage, streets and street maintenance, and parks and recreation. Fire services are provided by the Rio Dell Fire Protection District (FPD) south of the Eel River and by the Fortuna FPD north of the Eel River. The city also contracts with outside agencies to provide certain municipal services, such as garbage collection, recycling and street cleaning.

A municipal service review for the City of Rio Dell was previously conducted in 2008. That review determined that the growth rate of the City was expected to increase in future years

due to the annexation of new residential land, increased density included in proposed General Plan amendments, and new industrial development and annexation.¹ This MSR serves to update the service information and provide an expanded discussion of growth opportunities.

2.2 Jurisdictional Boundary

Incorporation and Initial Development

Rio Dell was originally the site of a Native American village thought to be called 'Tokemuk' that was populated by members of both the Wiyot and Nekanni tribes. Immigrant settlers founded Rio Dell and neighboring communities in the 1870s to support the region's lumber industry. Rio Dell's current downtown was known as Wildwood, which served workers and their families that lived in Rio Dell or across the Eel River in Scotia. In 1926, the local economy in Rio Dell was invigorated by the construction of U.S. 101. For 50 years, the main north-south highway brought travelers straight through downtown Rio Dell, and the business district flourished.

In the early 1960s, Rio Dell had shown such a rapid growth that county officials suggested that Rio Dell incorporate, as county services were unable to meet increased demands. At an election on February 26, 1965, Rio Dell became the 7th incorporated city in Humboldt County. Prior to incorporation, the area was served by a multitude of single-purpose special districts and private utilities. All these districts, except for the Rio Dell FPD, were dissolved upon incorporation. The city limits were approximately one square mile in size, encompassing the former Rio Dell Water District boundary.

City Boundary

The current City of Rio Dell is roughly 2.5 square miles (1,600 acres) in size and is bordered on the north and the east by the Eel River and the south by Dean Creek. The city boundary extends to the mid-point of the Eel River channel. The Scotia Bluffs, which make up the eastern bank of the Eel River across from Rio Dell, and the steep, wooded slopes on the west side of town are the dominant natural features of the city. Highway 101, which bisects the city, is the most prominent man-made feature in the city.²

City Annexations Since Last MSR

The City of Rio Dell has annexed two areas since the last MSR prepared in 2008. These annexation areas are identified in Figure 1 and are described in more detail below.

Sawmill Annexation (Humboldt-Rio Dell Business Park)

In 2009, the City of Rio Dell annexed approximately 245 acres of land consisting of the former Eel River Sawmill site located on the east side of US 101 just north of the Eel River. The city is currently working to redevelop the former sawmill site into a Cannabis Business Park to provide production and distribution facilities as well as other cannabis-related uses.

¹ Rio Dell MSR, 2008

² Rio Dell General Plan

Blue Slide Road Annexation

Also, in 2009, the City of Rio Dell annexed four parcels totaling 55 acres in the Blue Slide Road area. The annexation was pursued by the city in response to a property owner request for annexation to support a proposed subdivision that was projected to include up to 40 residential units. The city rezoned the area Suburban Low to accommodate residential uses as requested by property owners; however, the property was never subdivided or developed as proposed. Since then, maintenance of Blue Slide Road has become a financial liability for the city due to the poor condition of the roadway and its susceptibility for sliding.

In response to the challenges of serving this area, the city has inquired about detaching (i.e., removing) the Blue Slide area from the city limits. A detachment process is similar to an annexation process with regards to application submittal requirements (City Council resolution to make an application to LAFCo, application fees, public noticing, environmental review, etc.). Once the application is deemed complete and accepted by LAFCo, the Commission would consider the proposal's conformance with adopted Commission policies and factors for review, such as whether the detachment would be in the interest of the landowners and present/future inhabitants within the city as well as the proposed detachment area, and the impact to other affected agencies (i.e., the County). After affected persons and agencies have had a chance to comment and analysis has been completed, the Commission would then approve, deny, modify, or add conditions of approval to the proposal at a noticed public hearing.

If approved, with or without conditions, the proposed detachment may be subject to a protest hearing, unless waived by the Commission. The protest hearing may be waived if landowners have given written consent to the detachment, a subject agency has not submitted written opposition to a waiver of protest proceedings, and no written opposition as a result of public notice was received prior to the Commission's initial hearing. If held, LAFCo conducts the protest hearing to allow registered voters and/or landowners within the affected territory to file a written protest against the Commission's action on the detachment. Based on the number of written protests, the detachment may be confirmed, subject to an election, or terminated due to majority protest. The protest thresholds for detachments are based on whether the detachment area is inhabited (more than 12 registered voters) or uninhabited (less than 12 registered voters)³. If the majority protest is not successful, then the Commission confirms the detachment as previously approved.

2.3 Current Sphere of Influence

The City of Rio Dell Sphere of Influence (SOI) was established by Humboldt LAFCo in 1983. The SOI is generally coterminous with present city boundaries with three exceptions: (1) the Monument Road area; (2) the Dean Creek area; and (3) the Peninsula area. All three SOI areas are designated by the Humboldt County General Plan as Urban Reserve/Residential

³ Government Code Section 57075

Agriculture (UR/RA5-20), which allows for rural residential uses that are expected to develop to urban uses and densities when services are available. These SOI areas are identified in Figure 1 and are described in more detail below.

Monument Area

The Monument SOI area is approximately 80 acres in size and includes 20 parcels with 22 existing water service connections. The area is bordered to the south by Monument Road, which provides access to the existing residential uses in the area. As such, the county's Urban Reserve designation specifies that annexation is required for urban services and full build-out. Currently, the Monument SOI area receives out of agency water service from the City of Rio Dell and is included within the Rio Dell FPD boundary.

Dean Creek Area

The Dean Creek SOI area is approximately seven acres in size and consists of four parcels, two of which are split parcels (i.e., partially within the city and county). This area is also included within the Rio Dell FPD's boundary and is presently served by the city's water system. No sewer service is provided. The Dean Creek SOI area is accessed by Redwood Avenue, which extends from Monument Road within the city limits, crosses Dean Creek into the unincorporated area, and ultimately winds back into city limits.

Peninsula Area

The Peninsula SOI area (accessed from Rio Vista Lane) is approximately 82 acres in size and was created as a result of the Dinsmore Ranch Annexation, approved by LAFCo in 1981. The area includes eight parcels, seven of which are developed with residential uses. The territory is substantially surrounded by the city on three sides and therefore is subject to the Commission's "Unincorporated Islands" policy, which encourages annexation of unincorporated "islands" to cities entirely or substantially surrounded by the affected corporate limits. Therefore, should a boundary change in the Peninsula area be proposed in the future, policies related to unincorporated islands should be considered further.

2.4 Sphere Study Areas

Three study areas have been identified for purposes of evaluating potential expanded sphere areas based on City or landowner request. Several factors were used to evaluate these study areas including the relationship and proximity to the city's existing boundary and sphere; current land use designations; and the provision of municipal services. These study areas are identified in Figure 2 and are described in more detail below. Also, see Section 8, SOI Analysis and Determinations for detailed sphere evaluations.

City Wastewater Disposal Irrigation Fields Area

The City of Rio Dell has requested that their wastewater disposal irrigation fields, located adjacent to the city limits in the Metropolitan Road area, be included in the city's SOI in anticipation of annexing the parcel into the city. The site is located just north of the Eel River and west of Highway 101 on APN 205-111-039, which was created through a lot line adjustment in 2011 after the city acquired several parcels for disposing of treated wastewater for irrigation purposes during summer months (May-October). The subject parcel has not

been pre-zoned by the city and is currently designated Public Facility (PF) under the most recent Humboldt County General Plan, which is used "to classify land appropriate for use by a governmental agency or public agency, which has the purpose of serving the public health, safety, convenience, or welfare."⁴

Green Diamond Resources Company Parcel

The Green Diamond Resource Company (GDRCo) has requested that LAFCo consider including APN 205-031-047 in the city's SOI. This parcel is adjacent to the Peninsula SOI Area and was re-designated Urban Reserve/Residential Agriculture (UR/RA5-20) under the 2017 Humboldt County General Plan. As discussed above, the UR/RA5-20 designation is used where annexation is required for urban services and full build-out. The city has indicated that they do not support the inclusion of the GDRCo parcel within their SOI.

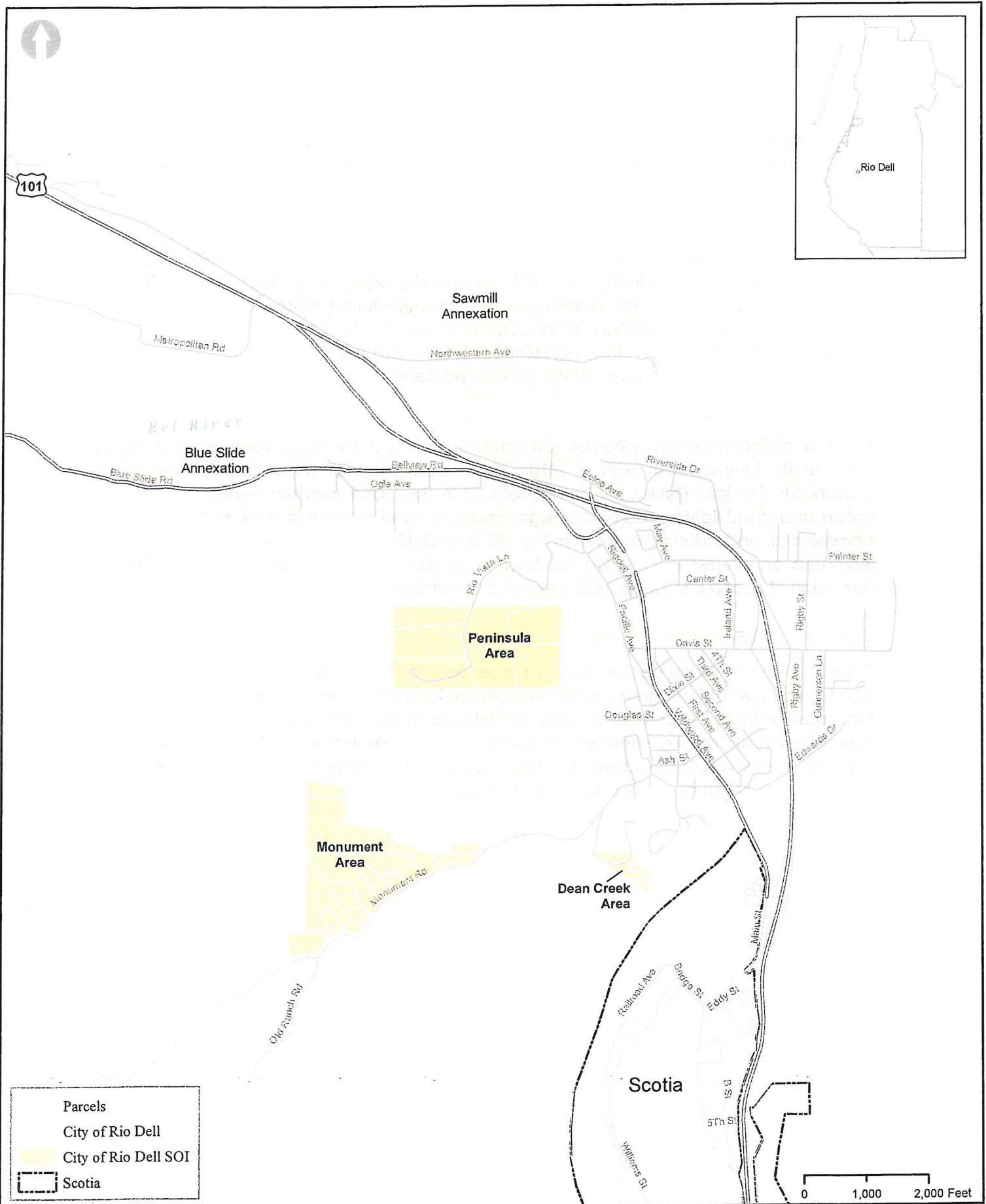
Town of Scotia Area

The town of Scotia is south of Rio Dell, just across the Eel River. This unincorporated community is a historic lumber town with a 2010 Census population of 850 residents. The Scotia Community Services District (CSD) was formed in 2014 and provides water, wastewater, streets and street lighting, storm drainage, and parks and recreation services to residential, commercial, and industrial uses within the 492-acre District boundary. The City of Rio Dell has indicated an interest in including the town of Scotia area within the Rio Dell SOI. Further discussion of Scotia can be found in Section 5.8 and Section 8.1.

2.5 Out of Agency Services

Currently, the City of Rio Dell provides water services to 24 parcels outside the city boundary (see Figure 1). All out of agency water services are located within the city's SOI. It is believed that most of these parcels have been served prior to January 1, 2001, and are therefore exempt from LAFCo review and approval. Any future proposals to extend services outside the city's boundary would be subject to LAFCo review and approval pursuant to Government Code Section 56133 and Humboldt LAFCo policy.

⁴ Humboldt County General Plan



3.0 SOCIO-ECONOMICS

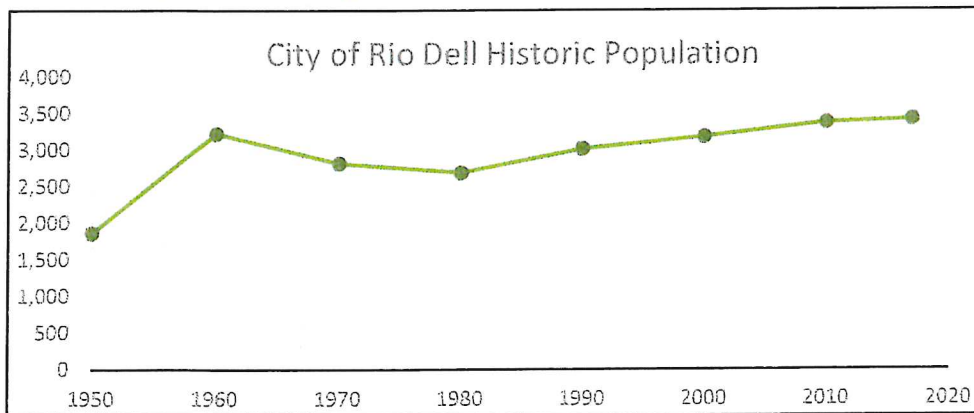
3.1 Growth and Population

Historical Growth

Like other Pacific Northwest towns and cities closely linked to the lumber industry, Rio Dell has experienced the ebb and flow of population growth and corporate investment that has typified the boom and bust cycle of the American West. The unincorporated area that was to become Rio Dell experienced most of its growth post-WWII on into the 1960s, resulting in incorporation in 1965. At that time the population within the newly established city limits was estimated as 3,222 residents.

In the 1970s the lumber industry decline coupled with the re-routing of U.S. Highway 101 from the city's downtown area impacted the city's growth and economy. Population numbers declined through the '70s and '80s to below the initial incorporation population. In the '90s population numbers again began to increase, though moderately. Today, the city's population is similar to that of incorporation in the '60s, with the 2010 US Census recording an estimated population of 3,368 residents.

Table 2: City of Rio Dell Population



Current Growth Patterns

Currently, Rio Dell has an estimated population of 3,408.⁵ At a projected countywide annual growth rate of 0.8 percent, the population of Rio Dell will reach 3,696 by 2030, an addition of 324 people.

⁵ U.S. Census "American Factfinder" annual population estimate.

<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>. Retrieved 10/8/18.

3.2 Land Use and Geographic Factors

The City of Rio Dell includes approximately 2.5 square miles of urban area, farmland and forested area within the Eel River Valley. Predominant land uses in the city include single-family residential, commercial along Wildwood Avenue, multi-family, industrial, public and open space uses in the urban core, farmland on the Dinsmore Plateau and in the Monument area, and forested hillsides in the south. The City's General Plan Land includes two primary residential designations, Urban Residential (UR) around the urban core and along the Eel River, and Suburban Residential (SR) near Douglas Street west of downtown. There are also several designations where residential development is permitted, including Rural (R) designated land concentrated in the Dinsmore Plateau area, Suburban Low (S) designated land with one-acre minimum lot sizes, and Town Center (TC) designated land concentrated along Wildwood Avenue in the urban core. See Figure 3 for a map of zoning designations for Rio Dell and surrounding territory.

Agricultural Land and Open Space

Humboldt LAFCo's mission includes discouraging urban sprawl and preserving open space and prime agricultural lands. The land uses that surround the City of Rio Dell are given careful consideration in future LAFCo decisions regarding any city annexations.

Ample precipitation, fertile soils, and the mild coastal climate make for productive farming in the flat alluvial terraces around Rio Dell. The majority of suitable farmland in Rio Dell has already been converted to residential uses or is surrounded by residential development⁶. Agricultural activity in the city includes small-scale farming, grazing, and timber production, and occurs primarily in Rural and Natural Resource land use designations including the Monument area⁷.

There are no Williamson Act contracts for lands located within the Rio Dell Plan area. Based on the Southern Humboldt Prime Agricultural Soils map prepared by Humboldt County for the General Plan update, there are a total of 94 acres of prime agricultural land within the City of Rio Dell, all of which is located within the Monument area. This area is generally designated as Rural, intended to provide for agricultural and very low-density residential uses.

Recent California commercial cannabis regulations add a new dimension to agricultural-use considerations within local jurisdictions. In unincorporated territory outside Rio Dell's city limits, cannabis activities are subject to Humboldt County's Commercial Cannabis Land Use Ordinances. Notably, any cannabis project subject to the county's ordinances located in or within one thousand feet of a city, or within the SOI of a city requires a Conditional Use Permit from the county. Within the Rio Dell city limits, commercial and recreational cannabis activities are restricted to the Humboldt-Rio Dell Business Park. Personal residential use is limited to six plants, which must be grown in a detached building and not a greenhouse.

⁶ City of Rio Dell Housing Element Update Initial Study. January 2011.

⁷ Ibid.

Groundwater Management

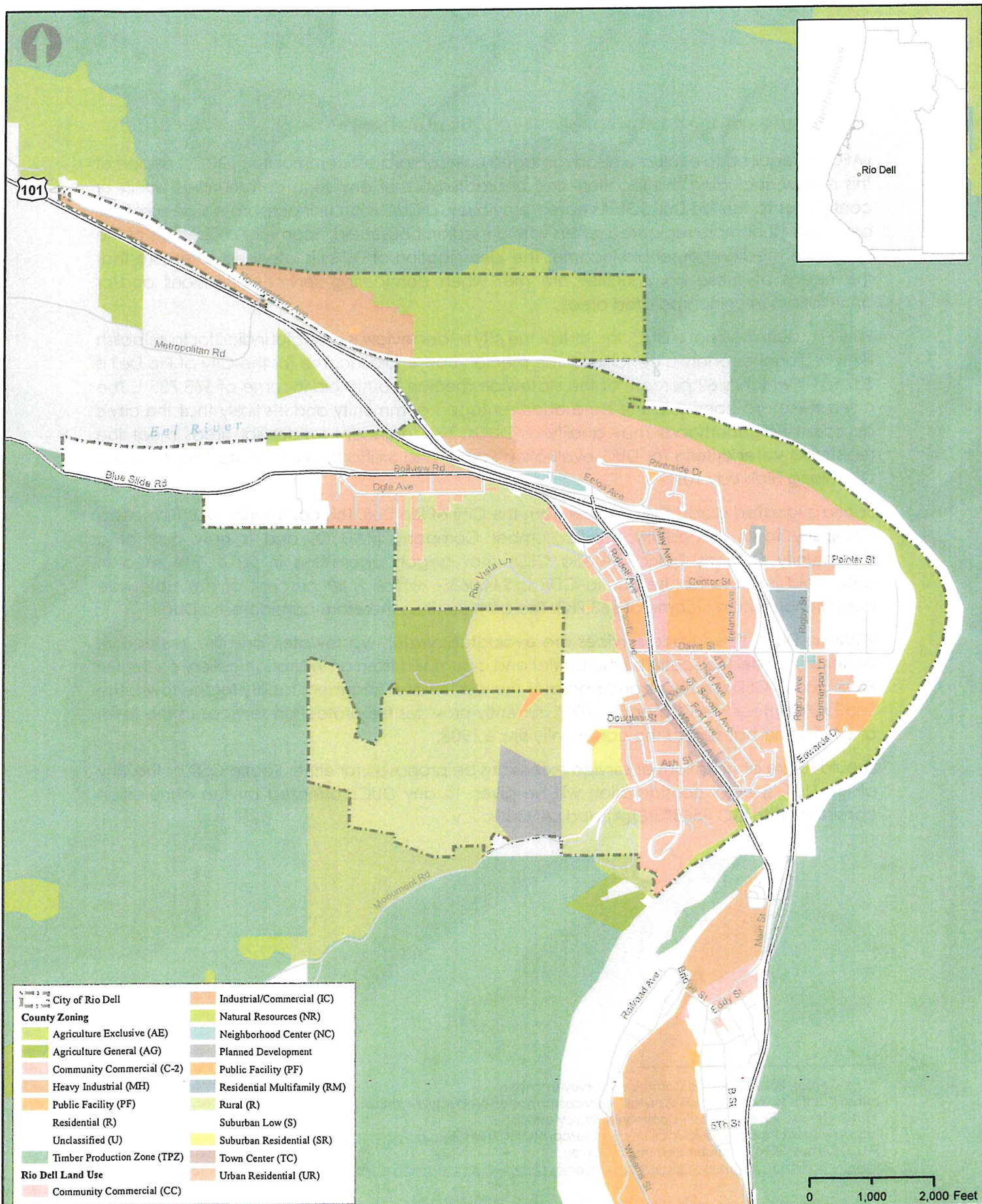
The California Department of Water Resources ("DWR") designated the Eel River Valley Groundwater Basin as a medium-priority basin for the initial prioritization under the Sustainable Groundwater Management Act (SGMA), which went into effect on January 1, 2015. In response, the County of Humboldt Public Works Department was appointed as the administering agency for SGMA compliance by the Board of Supervisors. In addition, the Eel River Valley Groundwater Working Group was formed by the County to coordinate local stakeholders with municipal, agricultural, and environmental interests and to provide input on organizing the local response to the SGMA for the Eel River Valley. From 2015 through December 2016, the County and Working Group conducted several meetings to discuss compliance and data needs to meet the requirements of the SGMA⁸.

In 2016, Humboldt County was awarded a Proposition 1 Sustainable Groundwater Planning Grant from DWR to conduct a Basin Assessment to determine whether groundwater levels within the Eel River Valley groundwater basin are declining or fluctuating to the point of causing impacts such as reduced groundwater storage, seawater intrusion, threatening or degrading water quality, land subsidence, and/or surface water depletion. The results from the Basin Assessment were used to develop a Groundwater Sustainability Plan Alternative ("GSP Alternative"), which provided an analysis of basin conditions demonstrating that the Basin has operated within its sustainable yield over a period of at least 10 years. Studies further indicate that the total volume of groundwater use represents only a small percentage of annual recharge within the Basin.

The GSP Alternative was intended to accomplish the same goals as a full GSP, but would not require the formation and administration of a Groundwater Sustainability Agency and would support more streamlined planning efforts. The GSP Alternative was submitted on December 30, 2016, and is pending review by DWR. Humboldt County continues to support periodic monitoring and the submittal of annual reports and concludes that projects or additional management actions are not needed to achieve the Sustainability Goal for the Basin⁹.

⁸ Groundwater Sustainability Plan Alternative Report Dec 2016
<https://humboldt.gov/DocumentCenter/View/57312/Groundwater-Sustainability-Plan-Alternative-December-2016?bidId=>

⁹ Groundwater Sustainability Plan Alternative Annual Report 2017 Water Year <file:///C:/Users/User/Downloads/20180329-2017-AnnualReport.pdf>



3.3 Disadvantaged Unincorporated Communities

LAFCo is required to evaluate disadvantaged unincorporated communities (DUCs) as part of this review, including the location and characteristics of any such communities within or contiguous to the Rio Dell SOI. As noted previously, a DUC is an unincorporated geographic area with 12 or more registered voters with a median household income of 80% or less of the statewide median household income. The identification of DUCs is intended to ensure that the needs of these communities are met when considering service extensions and/or annexations in unincorporated areas.

While by definition not a DUC, the MHI of the city under review is a helpful indicator to establish likely regional economic conditions. The median household income for the City of Rio Dell is \$39,981¹⁰ which is 62 percent of the statewide median household income of \$63,783¹¹. The city is therefore considered to be a disadvantaged community and it's likely that the city's adjacent neighborhoods may qualify as DUCs. Two adjacent residential areas meet the registered voter criteria for DUC evaluation Scotia and Stafford, both located south of the City along Highway 101.

Scotia is located across the Eel River from the City of Rio Dell. This community was formerly a company town owned by Pacific Lumber Company (PALCO) and is now part of a Community Services District (Scotia CSD) that began operations in 2014. The median household income for the Scotia CDP is \$44,063¹², which is 69 percent of the statewide median household income of \$63,783. The community is therefore considered a DUC.

Within a DUC, three basic services are evaluated: water, wastewater, and fire protection. Water is provided to Scotia by the District and is pumped from an infiltration gallery on the Eel River. Scotia CSD also owns and operates the wastewater treatment facility for the town. The Scotia Volunteer Fire Company (VFC) currently provides fire protection services to the town of Scotia and has served the community since 1908.

Should future annexations or service extensions be proposed for either Scotia CSD or the City of Rio Dell, special consideration will be given to any DUCs affected by the annexation consistent with GC §56375(8)(A) and LAFCo Policy.

¹⁰ U.S. Census. 2016 American Community Survey estimate.

<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

¹¹ U.S. Census. 2016 American Community Survey estimate.

<https://www.census.gov/quickfacts/fact/table/ca/INC110216#viewtop>

¹² U.S. Census. 2016 American Community Survey.

https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk. Accessed 10/9/2018.

4.0

ACCOUNTABILITY AND GOVERNANCE

4.1 Governance

Governance Structure

The City of Rio Dell is a General Law city, organized under the general laws of the State. The City is governed by a five-member City Council locally elected at large by Rio Dell voting residents for terms of four years. Council members, in turn, elect one of their own members to serve as mayor for a term of two years. Council members are primarily responsible for the legislative function of City government that creates an overall vision for the City through policy decisions, appropriations, and municipal ordinances.¹³ The City Council meets on the first and third Tuesdays of each month in the City Council Chambers at Rio Dell City Hall located at 675 Wildwood Avenue in Rio Dell at 6:30 p.m.¹⁴ Planning commission meetings are held at the same location on the third Tuesday of every month at 6:30 p.m. All meetings are open to the public in accordance with the Brown Act and are publicly posted a minimum of 72 hours prior to the meeting on the public bulletin boards located at City Hall, the post office, and the library, and on the City's website.

Table 3: Rio Dell City Council		
Council Members	Title	Term Expiration
Frank Wilson	Mayor	December 2020
Gordon Johnson	Mayor Pro Tem	December 2018
Tim Marks	Councilmember	December 2018
Debra Garnes	Councilmember	December 2018
Sue Strahan	Councilmember	December 2020

4.2 Administration

Rio Dell operates with a council-manager form of government, meaning the council is the legislative body and they appoint a city manager to administer the daily operations of the City on behalf of the City Council. As a part of this system, the Council also directly appoints:

- City Manager
- City Attorney
- Commission, committee, board, agency and task force appointments

¹³ City of Rio Dell Operating and Capital Budget Fiscal Year 2017-18

¹⁴ City of Rio Dell Municipal Code <http://www.codepublishing.com/CA/RioDell/#!/RioDell01/RioDell01.html>

- City representatives to other organizations. [Ord. 213A §2.60.001, 1992.]

These appointments are made by a majority vote of the Council to serve at the pleasure of the Council in compliance with existing law, ordinance, resolution, service contracts/memorandums of understanding, and/or city personnel rules, as appropriate.

City Manager

The City of Rio Dell employs a city manager who is responsible for administering and implementing the policies set by the City Council. The Council determines the organization of all departments of City staff based on consideration of operating efficiencies, levels of service to the public as provided in the annual operating budget, and recommendations made by the City Manager.¹⁵ Through the management of the City's operations, the City Manager is tasked with providing reliable and up to date information that empowers the City Council in making timely and informed decisions for the betterment of the community.¹⁶ The City Manager's Ordinance specifically outlines the duties of the City Manager, whose major responsibilities are public information, maintenance of official records, management of city personnel, risk management including insurance administration, labor relations, franchise negotiations, enforcing City Council policies, administration of community grants, and supervision of department heads. For the City of Rio Dell, the City Manager also acts as the director of Public Works. Public Works oversees many aspects of City management including; public works administration, economic development, City Clerk, personnel, recruitment, purchasing, contracts, budget oversight, solid waste, special projects, solid waste & recycling services, intergovernmental relations, grant acquisition, and public information.

There are six contracted positions directly assigned under the position of the City Manager. These are the City Clerk, Finance Director, Chief of Police, Water/Streets Superintendent, Wastewater Superintendent, and Community Development Director. Departmental employees are managed under the respective Department Heads. The City has budgeted a total of 18.5 full-time positions for fiscal year 2017/18 and anticipates that all positions will be actively filled.

Community Development Department

The Community Development Departments consists of the Planning Division and the Building Division. The Department serves as staff to the City Council and a variety of committees and commissions, including the Planning Commission, the Nuisance Committee, Traffic Committee, and the Wildwood Avenue Sculpture Committee.

Community Development Department Planning Division

The Planning Division of the Community Development Department assists the City Council with the development and implementation of long-term goals and policies of the General Plan. The Department implements ordinances consistent with those development policies to

¹⁵ City of Rio Dell Municipal Code

¹⁶ City of Rio Dell Operating and Capital Budget Fiscal Year 2017-18

facilitate planned orderly and balanced growth, preserve the quality of life, promote a strong economic base, and protect the City's resources and natural environment.

Building Division

The City of Rio Dell Building Division is responsible for administering and enforcing a number of California State Codes associated with new building, construction, and development. The Building Division reviews construction plans, issue permits, and performs inspections to ensure building projects are built safely and in compliance with applicable codes and regulations.

Public Works

The Public Works Department is responsible for the maintenance and operation of the City Water System, Sewer System, all city streets and related signage, city grounds and parks, and all public infrastructure.

Planning Commission

The Rio Dell Planning Commission consists of five regular members and one alternate member each serving a three-year term and serves as an advisory body to the City Council that makes recommendations relating to the sound and orderly growth and development of the City. The Planning Commission is the approving authority for subdivisions, lot mergers and lot line adjustments, use permits, and variances.¹⁷

Finance Department

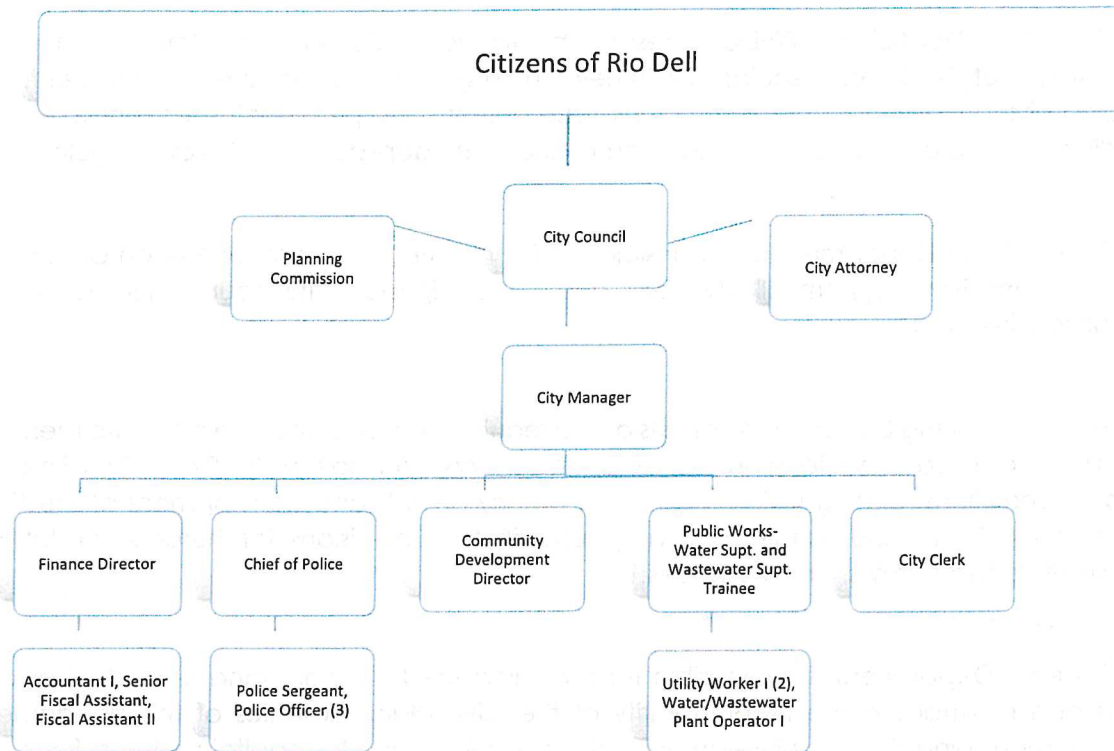
The Finance Department is responsible for providing the financial management of all city funds and maintaining the fiscal integrity of the City. Major activities of this department include: managing the city's investments; obtaining financing for capital projects; financial analysis and reporting; budget preparation and management; revenue management; billing and collections for utilities; CDBG loan processing, business licensing; information services; purchasing; records management; and payroll.

Police Department

The Rio Dell Police Department is responsible for animal control, nuisance abatement, and general law enforcement services. The Department has 6 budgeted full-time employees; 1 Chief of Police, 1 Sergeant, and 4 Police Officers providing 24-hour police response.

¹⁷ City of Rio Dell Website <http://riodellcity.com/planning-commission>

Figure 4: City of Rio Dell Organizational Chart



4.3 Accountability

When conducting service reviews and reviewing proposals, LAFCo considers an agency's accountability for community service needs, including governmental structure, operational efficiencies¹⁸, financial resources, and promoting public access¹⁹.

The City offers multiple ways to keep citizens informed about services, meetings, finances and decision-making processes. Public notices are posted on the website. Past meeting agendas and meeting minutes may be found in the Archive section of the City's website. The public may also provide verbal comments or complaints by phone or in person at City Hall during business hours and/or at City Council meetings during the public comment period.

City Council Meetings and Agendas

Agendas and minutes of council meetings are posted on the City's website as required by the California Brown Act (AB 2257).²⁰ An amendment (Government Code section 54954.2) to the Brown Act taking effect January 1, 2019, will require local agencies to comply with new

¹⁸ G.C. 56430(6)

¹⁹ G.C. 56881(2)

²⁰ Amendment to the Brown Act Provides for New Website and Agenda Requirements.

<https://www.hansonbridgett.com/Publications/articles/2017-07-public-agency-brown-act>

requirements for posting agendas on their website. The new amendment will require agencies with websites to post a prominent, direct link on their primary web pages to the current agenda for all meetings which occur on and after January 1, 2019.²¹ In addition, the agenda must be in a format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.²² Agendas and minutes of City Council meetings are currently posted online on the City's website.

Budgets

The City posts its annual budgets and audits on its webpage through a link located on the main page of the website. Currently, members of the public can access, peruse, and download the City's budgets and audits going back at least five fiscal years online through the City's website. Budgets are prepared and presented to the Council by the City Manager for approval and adoption on an annual basis.²³

General Plan

The City's General Plan was last updated in 2011. As a part of a city general plan, California has required that all cities adequately plan to meet the housing needs of everyone in the community. The primary mechanism for a city to do this is by adopting a "housing plan" known as a housing element. A city is required to develop and update a Housing Element at five-year intervals and submit annual progress reports to the CA Department of Housing and Community Development (HCD). Rio Dell's Housing Element was last approved by HCD in 2011²⁴. According to the HCD website²⁵, the City has not had an updated housing element document approved, nor submitted an annual progress report since 2011. The City is therefore out of compliance with HCD. An updated Housing Element approved by HCD and the subsequent submittal of annual reports would again improve the City's accountability to plan for the housing needs of those who will live and work in its community. Additionally, those who build homes and apartments and help families become homeowners often rely on funding from state and federal housing programs administered by HCD and other state departments and agencies. Whether a jurisdiction has a compliant Housing Element can impact their eligibility for funding in many cases.

Planning Commission

In addition to City Council business, the Planning Commission posts its agenda online and adopts minutes, though the adopted minutes from the Planning Commission meetings are not posted on the City's website.

²¹ Amendment to the Brown Act Provides for New Website and Agenda Requirements
<https://www.hansonbridgett.com/Publications/articles/2017-07-public-agency-brown-act>

²² Ibid

²³ City of Rio Dell Municipal Code <http://www.codepublishing.com/CA/RioDell/#!/RioDell02/RioDell0215.html>

²⁴ HCD. "Memorandum Re: Review of the City of Rio Dell's Adopted Housing Element".

http://www.hcd.ca.gov/community-development/housing-element/docs/humrio_dell041211.pdf

²⁵ HCD. Housing Element Compliance Report. <http://www.hcd.ca.gov/community-development/housing-element/docs/status.pdf>. Accessed 10/11/2018.

4.4 Shared Facilities

Typically, the primary public service issue facing rural communities is the provision of adequate public services and funding, rather than that of overlapping or duplicative services provided by another public agency. The services and facilities provided by the City of Rio Dell are critical to residents of the area. The City collaborates with other public agencies to provide service more efficiently or effectively. Some of Rio Dell's collaborative activities include:

- A long-term relationship with the Friends of the Rio Dell Library, a non-profit that supports the programs and facilities of the Rio Dell Library. The Rio Dell Library is a branch of the Humboldt County Library system.
- A relationship with the Rio Dell-Scotia Chamber of Commerce regarding community events and programs. Events include Wildwood Days held in Rio Dell and managed by the Rio Dell Volunteer Fire Department.
- A relationship with the Rio Dell Fire Protection District, which includes the Rio Dell Volunteer Fire Department, provides fire protection and rescue services within its 5 square mile District boundary and "good will" service to an additional 33 square miles surrounding Rio Dell.
- Member of Humboldt Waste Management Authority (HWMA), a joint powers agency, which contracts with Recology Eel River to provide weekly garbage pickup and biweekly recycling service. The City is also a member of the Solid Waste Local Task Force.
- Member of Redwood Coast Energy Authority (RCEA), a joint powers authority founded in 2003 whose members include the seven cities, the county, and the Humboldt Bay Municipal Water District. RCEA administers Humboldt County's Community Choice Energy program, which offers local renewable energy and lower energy prices to Humboldt County residents and businesses.
- Member of the Humboldt County Association of Governments (HCAOG), a JPA comprised of the seven cities and the county. HCAOG is the designated Regional Transportation Planning Agency and is largely responsible for programming state highway, local street, and road improvements, and public transportation resources.
- The city is a member of the Humboldt Transit Authority (HTA), a JPA signed by Humboldt County and the cities of Arcata, Eureka, Fortuna, Rio Dell, and Trinidad. As such, all cities in the agreement are served by fixed route and dial-a-ride transit options that allow access through Humboldt County.

5.0

SERVICES AND INFRASTRUCTURE

5.1 Service Overview

The City of Rio Dell provides a full range of municipal services, which include the following:

- o Water treatment, storage, and distribution
- o Wastewater collection, treatment, and disposal
- o Stormwater drainage
- o Streets and street lighting
- o Parks and recreation
- o Law enforcement

The following sections describe the provision of services by the City of Rio Dell in more detail.

5.2 Water

The City of Rio Dell water system serves approximately 1,450 customers and consists of a network of water mains, valves and storage tanks that deliver treated water from the plant located at 475 Hilltop Drive to water customers. The city currently produces approximately 90 million gallons of drinking water per year. Average daily use is estimated at 0.267 million gallons per day (MGD), while peak daily use is estimated at approximately 0.474 MGD²⁶. System maintenance and improvements by the city are focused on enhancing the reliability of water service to the community and are not intended to increase plant capacity²⁷.

Water Source

The city's water supply needs were originally met by individual wells and springs serving clusters of homes and a private water company that served the broader community²⁸. Much of the current water system was developed around World War II and later. Eventually, the city developed a well system which was supplied from three wells located north of the city across the Eel River. The production from the city's well system began declining significantly in 2000, with high levels of manganese in the water produced by the wells. Attempts to rehabilitate or create new wells at this location were unsuccessful at the time. In response, the City of Rio Dell developed a water intake on the South Fork of the Eel River. The completion of this project lifted a water emergency declaration within the city that had been in place for over five

²⁶ City of Rio Dell. Water System Asset Management Plan and Preliminary Capital Improvement Plan. May 2014. Prepared by GHD.

²⁷ Ibid.

²⁸ City of Rio Dell. Water System Asset Management Plan and Preliminary Capital Improvement Plan. May 2014. Prepared by GHD.

years. The city reports that this project also dramatically improved the quality of water delivered to residents²⁹.

Raw (untreated) water is pumped from infiltration galleries under the Eel River to the treatment plant. The production capacity of the gallery is tied to water levels within the river, such that in the winter the pumps can deliver around 700 gallons per minute (GPM), but in the summer production falls to about 550 GPM (0.792 MGD).

In 2014, ongoing drought and record low flows in the Eel River spurred the development of a backup water supply for the city. The Metropolitan Wells project was conceived and work began to rehabilitate two wells on the old well site. The third well remains intact for future expansion if needed. The project included new pumps, piping, groundwater treatment, and connection to the existing distribution system. The well site was designed to pump, treat and convey clean drinking water, as well as monitor groundwater adjacent to the site via three groundwater monitoring wells installed by the project. This project was completed in the spring of 2018 and will provide improved drinking water quality and reliability for Rio Dell during emergencies and droughts.

Water Treatment and Distribution

Water is pumped to treatment for filtration and disinfection before entering the city's distribution system. The distribution system includes almost 20 miles of pipes running beneath the city streets, in addition to valves, fire hydrants, and water meters. The City of Rio Dell's water transmission and distribution system originated from the consolidation of private systems and construction of new sections over time. The resulting system serves incremental new developments rather than serving the city as a whole.

Like most municipal water providers, aging lines is an ongoing challenge for the City of Rio Dell. According to the City's Water System Capital Improvement Plan, there remains considerable steel piping in deteriorating condition within the system that is smaller than 4 inches in diameter and is inadequate to provide fire protection if needed. Particularly, the distribution system in Dinsmore on Monument Road and Old Ranch Road is in poor condition and needs replacement. Additionally, cleanout and blow off assemblies need to be added to keep the piping network clean. Valves and hydrants that do not operate properly need to be replaced. The city has noted that they are working on obtaining grants through Proposition 1 to rehabilitate and replace their aged water lines.

Water Storage

The City of Rio Dell operates a booster pump station at the Douglas Tank site which boosts pressure from the city's primary pressure zone to a second pressure zone on the Dinsmore Plateau. In total these two pressure zones are served by four tanks ranging in size from 100,000 gallons to 500,000 gallons for a total combined storage capacity of 1.1 million gallons. The Painter Street Tank is a 250,000-gallon welded steel water tank that supplies the main pressure zone. The Douglas Tank site has a new 500,000-gallon bolted steel tank and an existing 250,000-gallon redwood tank also supplying the main pressure zone. The Dinsmore Tank, a

²⁹ City of Rio Dell Website, "Water" page. Retrieved October 18, 2018. <http://cityofriodell.ca.gov/water>

100,000-gallon bolted steel water tank installed in 2007, supplies a smaller pressure zone and is filled from the Douglas Tank.³⁰ The city has noted that they are working on obtaining grants through Proposition 1 to rehabilitate and replace their water storage systems.

Water Service Rates

In December 2015, the City of Rio Dell adopted new/increased water rates in compliance with Proposition 218 (Resolution No. 1281-2015). The rate increase corrected an ongoing deficit within the water fund and restored required reserve levels over a five-year period. Prior to this correction, it was estimated that the Water Fund would enter a negative balance by 2018. The funds for these corrected rates provide water service that includes operating costs, capital costs, and debt service payments. The customer's water bill is calculated using a monthly base rate and an additional unit charge based on the amount of water used. Water meters are read at the end of each month and utility bills are generated and due at the beginning of each month.

The city's water service rates are summarized in Table 3. Based on these rates, approximately 75% of the revenue collected is attributable to the fixed monthly charge, and 25% of the revenue collected is based on volumetric use or the amount of water consumption. All volumetric charges are assigned a fixed dollar amount based on Equivalent Service Units (ESU) of water (748 gallons equals one unit). Water service outside of city limits is charged at a higher rate than service within the city. This includes about 29 water customers who are charged an additional "Dinsmore Zone" surcharge in addition to the regular rate. This has allowed the city to separate water system rates by pressure zone.

Table 4: Water Service Rates	
Rates	Per meter/per month
Water Connection Fee	\$2,500.00
Meter Installation Fee	\$200.00 or actual cost
Residential Base Rate (Within City Limits)	\$47.57 (2018) \$48.50 (2019) \$49.48 (2020)
Base Rate Dinsmore Zone (Outside City Limits)	\$65.36 (2018) \$65.51 (2019) \$65.66 (2020)
Cost per Unit of Water Used (Equivalent Service Unit = 748 gallons)	\$3.10/ESU (2018) \$3.17/ESU (2019) \$3.23/ESU (2020)

³⁰Rio Dell Capital Improvement Plan.
<http://cityofriodell.ca.gov/sites/cityofriodell.ca.gov/files/documents/agendas/2014/CC%20Agenda%202014-05-13%20CS-CIP.pdf>

Water System Conclusions

Recent projects conducted by the city to address improvements to the water collection, storage, and distribution system, along with updated water rates, have set the course towards a sustainable future water system. Rio Dell has a Water System Asset Management Plan and Capital Improvement Plan that serves to identify current and future needs for the replacement of water system components for the City of Rio Dell. This allows for proactive maintenance of the water system that is critical for providing safe and reliable access to drinking water and protecting public health. Efforts to address source capacity has also increased water supply reliability during emergencies and droughts for Rio Dell and has also increased the city's capacity to serve existing and future development.³¹

5.3 Wastewater

The City of Rio Dell provides wastewater collection, treatment, and disposal to approximately 1,448 connections³², and consists of a network of wastewater collection pipes, manholes, cleanouts, and pumps that convey wastewater to the treatment plant located at 475 Hilltop Drive. The city's wastewater treatment plant is regulated by the Northcoast Regional Water Quality Control Board (RWQCB) under a National Pollutant Discharge Elimination System (NPDES) waste discharge Order # R1-2017-0007. The city employs three full-time and one half-time wastewater treatment plant (WWTP) operators.

Wastewater Treatment and Disposal

In 2013 the city completed a major WWTP upgrade which replaced the old conventional wastewater plant with the newly activated sludge process to address nutrient removal. The project also included construction of the flood irrigation field located in the Metropolitan area.

Raw sewage from the south and north mainlines enter the treatment facility and receive primary treatment and then on to an aerated activated sludge process. The design flow of the treatment plant is 2 MGD with an average daily flow of 0.25 MGD.

The sewage sludge is separated from the liquid. "Sewage sludge" refers to the solids separated during the treatment of municipal wastewater. The left over liquid is chlorinated to ensure elimination of biological contaminants, and then it is dechlorinated to prepare it for discharge either into the Eel River (October-May) or the flood irrigation fields (May- October). The separated sludge is wasted to the digestors and then dried onsite producing Class A biosolids that the city is able to give away to residents as a soil amendment.

Wastewater Improvements

The city has identified several wastewater facility improvement projects and continues to seek grant funding. The first is to address the collection system's high inflow and infiltration (I/I). Surface stormwater and seasonally high groundwater is a significant contributor to I/I in Rio

³¹ Correspondence with Rio Dell Community Development Director Kevin Caldwell. Email correspondence January 23, 2018.

³² Correspondence with Rio Dell Clerk Karen Dunham. Email correspondence October 25, 2018.

Dell. Poor drainage in areas of the city causes ponding and flooding leading to I/I. The city has been working to identify areas of the city where stormwater ponding and flooding has been historically problematic and is near wastewater pipes and therefore directly contributing to I/I. The city reports they are actively seeking grant funding to complete a comprehensive Sanitary Sewer Evaluation Study (SSES).

Wastewater Service Rates

In 2014, the city established new wastewater service rates and charges for residential, commercial and institutional customers. The wastewater rates include a fixed minimum charge in addition to volume rates based on winter water consumption. Water consumption is measured in units of 100 cubic feet or 748 gallons. Sewer rates are adjusted annually for inflation on July 1st using a CPI rate adjustment. See Table 5 below.

Table 5: Wastewater Service Rates for FY 2017-18	
Rates	Per meter/per month
Sewer Connection Fee	\$5,220.00
Fixed Charge	\$48.43
New Customer	\$69.63
Low Flow	\$3.39/ESU
Domestic Flow	\$4.24/ESU
Medium Flow	\$6.36/ESU
High Flow	\$7.41/ESU

5.4 Stormwater

The City of Rio Dell operates and maintains a stormwater drainage system. Several perennial and ephemeral streams that historically meandered from small watersheds west of the city in route to the Eel River have been re-aligned or conveyed in part through underground pipes to allow for urban development.

The city receives significant amounts of rainfall each year, averaging approximately 48 inches. The statistically predicted 100-year rainfall is just over 80 inches per year. This rainfall is conveyed through the city to the Eel River by a drainage system that contains four primary components: (1) underground drainage conduits composed of high density polyethylene, reinforced concrete pipe or corrugated metal pipe (457 total); (2) artificial open drainage ditches characterized by open lined and unlined channels (122 total); (3) drainage inlets characterized as a collection point at which surface flow is concentrated to, and conveyed into, underground drainage conduits (336 total); and (4) storm drain manholes (3 total).

The City is in the process of a drainage project for repairs and upgrades to severely degraded or inoperable portions of the stormwater system in various locations in the city, including

culvert replacement and repair, completed in 2018. The City reports that future projects are planned, but still in need of financing.

5.5 Streets and Lighting

The city's Public Works Department performs general road maintenance functions for the approximately 20 miles of streets and roads within city limits, and contracts out major maintenance activities. Main streets within Rio Dell include Wildwood and Pacific Avenues, running north and south; and Davis and Painter Streets running west and east.³³ Public Works also maintains city streetlights which were upgraded to LED technology in 2016.

Street maintenance has historically been funded through the Transportation Development Act (TDA) funds, gas tax funds, and other state infrastructure funding programs. The City reports that these state funds have not kept pace with the deteriorating condition of their streets. Between 2004 and 2016, all significant pavement projects have been the result of grants from the State or Federal Governments (Proposition 1B, STIP, Safe Routes to School), including work on Wildwood Avenue.³⁴ In 2017, the City conducted an asphalt rehabilitation project along Davis Street. Funding for this project was made possible through the Measure U Sales Tax. The city's latest grant award is approximately \$1.6 million in Safe Routes to School monies that will go to projects primarily in the Wildwood Avenue area and Highway 101. Construction is expected during the summer of 2020.³⁵

The City reports that city streets such as Monument, Pacific, and Bellevue receive heavy pass-through log truck traffic from operations outside city limits and that the city receives no revenue from these operations to offset these impacts.

5.6 Parks and Recreation

Parks and recreation responsibilities are the purview of the city's Buildings and Grounds Department within Public Works. This department is tasked with the maintenance of city-owned buildings and grounds. This includes three city parks and City Hall and its adjacent areas. The three parks are described in more detail below.

Triangle Park

Blue Star Memorial By-Way park, also known as the triangle park, is located in the 700 block of Wildwood Ave. This park was dedicated in 1995 and offers picnic tables and benches for citizens enjoyment.

Davis Street Park

The Davis Street Park is owned by the School District but maintained by the City of Rio Dell.

³³ City of Rio Dell MSR. 2008

³⁴ City of Rio Dell Website. <http://riodellcity.com/streets>

³⁵ Ibid

Memorial Park

Memorial Park, located in the 600 block of Wildwood Ave offers families a place to honor past family members who have made contributions to the Rio Dell community.

Fireman's Park

This park is owned and operated by the Rio Dell FPD. In 2013 the City constructed bathroom facilities at the park and the city reports that they continue to subsidize water services at the facility.

Rio Dell Library

The building is also owned by the Rio Dell FPD and library services are provided by the County. Under contract with the County, compliance with the Americans with Disabilities Act (ADA) is the responsibility of the FPD; however, in 2018 the District reported that funds were not available to make the facility ADA compliant as required by a United States Department of Justice Consent Decree. As a result, the County began looking at various options to comply with the ADA including potential closure of the facility.

5.7 Law Enforcement

The Rio Dell City Police Department, headquartered at City Hall, 675 Wildwood Avenue, provides law enforcement, investigation and community service. The Department has six full-time employees; one Chief of Police, one Sergeant, and four Police Officers providing 24-hour police response to the community.³⁶ Additionally, Humboldt County provides funding for one part-time clerical position through Measure Z funding. The city reports that despite an increase in available funding for public safety services, the city has found it increasingly difficult to recruit and retain police officers.

The city has mutual aid agreements with the City of Fortuna, the City of Ferndale, and the Humboldt County Sheriff's Department. The California Highway Patrol assists Rio Dell Police with technical traffic assistance and officer back up. The City of Rio Dell has indicated that because of Scotia's immediate proximity, the Rio Dell Police Department provides "goodwill response" and is typically the first to respond to emergency calls in Scotia. The city provides service to the Scotia area even though they are under no obligation to do so and receive no compensation for their service. This goodwill service is not supported by any sustainable revenue source and requires city resources to respond outside of their jurisdictional boundary which adds additional liability and potentially strains city resources.

5.8 Other Relevant Service Providers

Rio Dell Fire Protection District

The Rio Dell Fire Protection District (FPD or District), with the Rio Dell Volunteer Fire Department (VFD), serves the City of Rio Dell and surrounding areas of Monument Road and Blueslide Road. The Rio Dell FPD is a separate governmental entity from the City of Rio Dell. Fire

³⁶ City of Rio Dell Website: <http://riodelcity.com/police>

protection districts are a type of special district in California and are subject to their own set of rules and policies, primarily governed by the California Health and Safety Code Section 13800 – 13970. Humboldt LAFCo conducted a separate MSR and SOI update for the Rio Dell FPD. That document was last updated in 2017 as a part of the Eel River Valley Fire MSR. See that document for full detailed operations of fire protection for the community of Rio Dell. Below is an overview of District operations as they relate to the City of Rio Dell.

The Rio Dell FPD area consists of 5.36 square miles with a response area of 33.5 square miles, making the total response area about 38.8 square miles. There are approximately 3,600 residents served by the Rio Dell FPD. The District operates out of a single fire station at 50 West Center Street within city limits. The Fire Station was built in 1964 and is currently used for equipment storage, volunteer training, and community functions. The Fire Station serves as an Emergency Operations Center and a training facility. The District board meets on the second Thursday of each month at 5:30 p.m. at the fire station. Voters within the District directly elect members to the five-member District Board of Commissioners.

Scotia Community Services District

The Scotia Community Services District (CSD) provides water, wastewater, streets and street lighting, storm drainage, and parks and recreation services to the community of Scotia, located immediately south of the City of Rio Dell. Scotia currently has 274 residential units, which are predominantly single-family dwellings; approximately 20 commercial units, including a brewery; and some industrial uses primarily associated with the Humboldt Redwood Company (HRC).

Prior to the formation of the Scotia CSD in 2014, all residences and businesses, other than the HRC mill properties, were owned by the Town of Scotia Company, LLC (TOS) and leased to rental tenants. The TOS received Tentative Map approval from Humboldt County in 2009 and is in the process of subdividing and selling individual lots into private ownership in five phases upon Final Map approval. The phased subdivision and CSD formation allowed for the conveyance of water and wastewater treatment plants and other infrastructure to the Scotia CSD following the first phase of the subdivision in June 2017.

Since the initial transfer in Phase 1, the TOS has completed Phase 2 and is in the process of recording Phase 3. During each phase, linear infrastructure improvements, including upgrades to the water distribution system and wastewater collection system, are completed prior to transfer to the Scotia CSD. Until the linear infrastructure is improved and accepted by the Scotia CSD Engineer and accepted by the Board of Directors through an Irrevocable Offer and Dedication and Grant Easement Deed, TOS remains responsible for its maintenance and repair.

While most of the linear infrastructure was required to be upgraded and/or replaced, the TOS was not required by the county to undertake or complete improvements to the Scotia water or wastewater treatment plants prior to its transfer to the CSD. The wastewater treatment plant (WWTP) was originally constructed in 1954 and is planned to be replaced and relocated outside of the 100-year flood zone. The Scotia CSD assumed responsibility for the WWTP in June 2017 and has been operating on TOS and HRC's co-permit under Order No. R1-2012-

6.0 FINANCE

6.1 Financial Overview

The City of Rio Dell prepares an annual budget which serves as the basis for the city's financial planning and budget control systems for the delivery of city services and the implementation of capital projects. Additionally, each fiscal year, the city prepares an Annual Financial Report. Contained within the Annual Financial Report is an audit prepared by a qualified Certified Public Accountant. The most recent city audit was prepared for the 2016-17 Fiscal Year.

6.2 Budget

Annual Budget Process

The City of Rio Dell Budget is a policy document that describes the city's goals and objectives and indicates how resources are allocated to achieve these goals. Throughout the year, proposals for budget adjustments are put together for City Council approval on an on-going basis. The city also puts out a report quarterly for City Council and public review.

A budget calendar timeline is formally adopted by City Council and is used as a tracking tool to ensure timely adoption of the budget. The City Council conducts a series of public workshops to discuss the proposed budget for the next fiscal year. At a regularly scheduled meeting of the City Council, the proposed budget is presented for adoption and a public hearing is held. Any final changes requested by the City Council at the public hearing are incorporated into the motion to adopt the budget through formal resolution.

City Fund Categories

The City of Rio Dell has two major operating fund categories: Governmental Funds and Enterprise Funds. Governmental funds include the General Fund, which is the primary operating fund of the city, Special Revenue Funds, and Grant Funds. Special Revenue Funds include the Streets Fund which is used to maintain and repair the city's streets and roads. Other Special Revenue Funds are grouped as Miscellaneous government funds and include Measure Z (supports local law enforcement services), the Supplemental Law Enforcement Services Fund, the Recycling Fund, the Community Development Block Grant (CDBG) Fund, the Admin Fund, and the Solid Waste Fund.

Enterprise funds are run as business-type funds and expenses are supposed to be balanced by incoming revenues. The major enterprise funds for the city are the Water and Sewer Utilities, which account for all activities associated with the operation and maintenance of providing water and wastewater services. This includes operating costs for maintaining the systems, capital replacement (as needed), as well as paying any debt service related to infrastructure financing agreements.

Table 6 summarizes the revenue, expenses, and changes in fund balances for the city's main funds based on the adopted budget for fiscal year 2018-19.

Table 6: City of Rio Dell Financial Summary			
	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Adopted
Revenues			
General Fund	\$1,094,266	\$954,516	\$1,033,793
Sewer Fund	\$1,277,968	\$1,293,189	\$1,265,330
Water Fund	\$1,329,861	\$1,537,208	\$1,214,863
Building Fund	\$41,742	\$46,016	\$35,056
Streets Funds	\$213,108	\$199,968	\$298,300
Misc. Funds	\$208,215	\$315,921	\$155,816
Grant Funding	\$503,984	\$1,148,755	\$1,433,300
Total Revenues	\$4,669,144	\$5,495,573	\$5,436,458
Expenditures			
General Fund	\$886,452	\$879,504	\$1,396,647
Sewer Fund	\$1,358,523	\$1,130,211	\$1,709,409
Water Fund	\$1,110,663	\$1,145,293	\$1,109,510
Building Fund	\$51,335	\$54,592	\$54,931
Streets Funds	\$222,957	211,902	\$300,560
Restricted Funds	\$744,769	\$1,611,575	\$1,573,090
Total Expenditures	\$4,374,699	\$5,033,077	\$6,144,147
Revenues Over (Under) Expenditures	\$294,445	\$462,496	(\$707,689)

According to the City's most recently adopted budget, at the beginning of fiscal year 2018-19 (June 2018), the total city fund balance was estimated \$4,593,801. Overall, the budget show expenditures exceeding revenues by about \$707,649. This appears to be primarily because more funds are anticipated to be spent within the General Fund and sewer fund categories than their anticipated revenue.

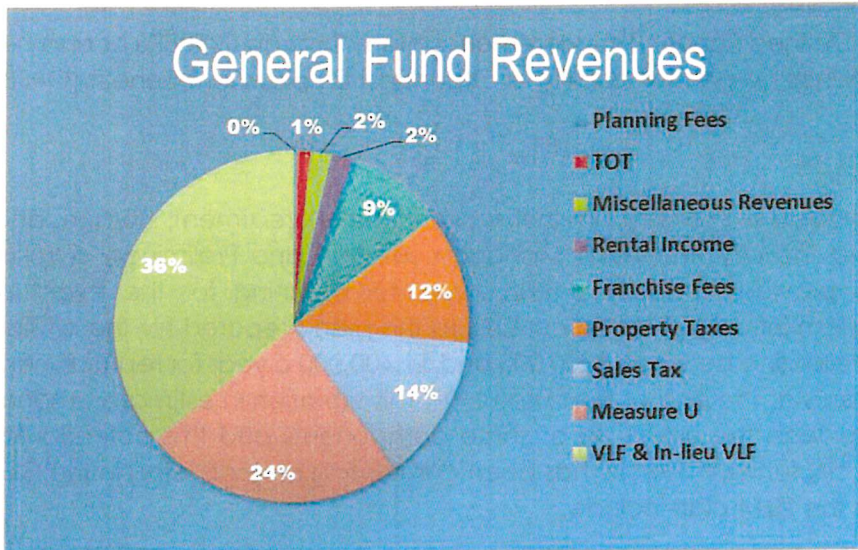
The General Fund has an estimated fund balance on July 1, 2018, of \$1,493,562. Revenues for the year are estimated at \$1,033,719 and expenditures total \$1,396,647. The change in fund balance for the FY 2018-19 is a decrease of \$381,226 for a projected General Fund reserve balance at the end of the fiscal year of \$1,112,336 (25% decrease)³⁷.

³⁷City of Rio Dell. 2018-19 Adopted Budget. Adopted on May 15, 2018.

Revenues

Significant revenue sources for the city include vehicle license fees-in-lieu, property taxes, sales tax, Measure U (from the City's 1% sales tax), charges for services, operating grants and contributions, and other taxes and fees. Major expenditures include general governmental expenses including public safety and public works. See Figure 5 for each source's percent contribution to General Fund Revenues.

Figure 5: City of Rio Dell General Fund Revenues



Source: Rio Dell 2018-19 Adopted Budget, Pg. 29.

Enterprise Funds

The Water Funds and Waste Water Funds are operating as Enterprise Funds. Each fund is considered a separate accounting entity with a self-balancing set of accounts. The fees for water and wastewater service are intended to cover all the operating costs for maintaining the systems, replace the capital assets (as needed) totaling over \$27.7 million, as well as cover any debt service related to the water infrastructure financing agreements³⁸.

As of June 2018, these enterprise funds account for 46% of total revenues (\$2,480,191) and 46% of total appropriations (\$2,818,899) within the entire City budget. The combined ending working capital balances on June 30, 2019, are estimated to be 63% or \$2,437,230 of the total ending balances.

6.3 Long-Term Financial Considerations

Debt and Liabilities

In August 2005, the City of Rio Dell entered into a loan agreement with the California Department of Health Services, Drinking Water and Environmental Services Division for a loan up to \$2,720,000. The loan was used to finance project construction that will allow the city to

³⁸ City of Rio Dell. 2018-19 Adopted Budget. Adopted on May 15, 2018. Pg. 19

meet safe drinking water standards. The non-interest-bearing loan calls for 50 equal semiannual payments of \$68,000 due in January and July of each year beginning in July 2009 and ending in 2034.

The city also obtained a loan in 2012 from the California Department of Water Resources to finance an upgrade to the wastewater treatment plant to comply with State wastewater standards. The loan amount was \$6,980,359 and principal and interest are due annually on October 31st. The interest rate is 2.20% and the annual payments are \$302,923, continuing through fiscal year 2044.

The city does not have a Defined Benefit (DB) retirement system through CalPERS or another provider. As such, the city has no pension liability or Other Post Employment Benefit (OPEB) liability.

Capital Improvement Projects

The City of Rio Dell has invested over \$12 million in the water intake, treatment, storage, and distribution systems serving the city. The Asset Management Plan and Preliminary Capital Improvement Plan (CIP) provides the city a framework for planning for the eventual replacement of water system infrastructure. According to this plan prepared for the city by GHD, the city should be collecting between \$400,000 and \$1,400,000 a year for replacement of water system components at the end of their useful life. This variation in estimate amount reflects the potential to extend the useful life of some components and the potential for obtaining grants to offset city funds.³⁹ The city has been completing projects listed in the CIP. Projects completed since the 2014 plan include:

1. Re-Coating of Existing Water Treatment Filters
2. Auxiliary Power Generator
3. Metropolitan Wells (additional water source)
4. Old Ranch Road Waterline Replacement

In addition, the Fiscal Year (FY) 2018-2019 budget includes \$2,280,317 in capital projects, special projects, and equipment replacements. Approximately \$1.4 million of the Capital Projects budget is provided through grant funding for the Alternative Transportation Program (ATP) streets improvement project and State Water Resources Control Board (SWRCB) water capital improvement plan. Carryover projects from FY 2017/18 total \$243,517. The FY 2018-19 Budget includes money in the General Fund for capital projects totaling \$204,017 including improvements to City Hall (\$28,517), river bar access (\$5,000), police vehicle trust fund (\$5,000), Access TV (\$7,000), streets slurry seal (\$107,000) and Belleview/Ogle carryover amount (\$50,000)⁴⁰. In addition to street improvements and general infrastructure, the current budget includes \$540,000 for water and sewer system replacement, repairs, and maintenance. Equipment includes vehicle and utility equipment for Public Works.

The city appears to be diligently working towards addressing its needed capital improvements for municipal service provision. The Preliminary Capital Improvement Plan for

³⁹ Ibid

⁴⁰ City of Rio Dell Annual Budget FY 2018-19

their water system is an appropriate start, however, it would be beneficial to the public and city operations to develop an in-depth CIP for both their water system and other municipal service infrastructure and equipment.

Reserve Policies

The City of Rio Dell does not retain a specific reserve fund. Rather, they have set minimum fund balance reserve policies for the major funds (ex: general fund). The 2018/19 Adopted Budget noted that all their major funds were meeting the minimum fund balance reserve policy set at 15% (Resolution 1154-2012), except for the RSTP Fund. At the target fund balance of 30% of operating costs the city's major funds, reserve balances meet or exceed the set amount, except for the Sewer Operating Fund, which falls below at 19% of operating costs.

7.0

MUNICIPAL SERVICE REVIEW DETERMINATIONS

As set forth in Section 56430(a) of the CKH Act- In order to prepare and to update the SOI in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

1) Growth and population projections for the affected area

- a. Currently, the City of Rio Dell has an estimated population of 3,322 residents.
- b. Given Rio Dell's historical growth pattern, the future growth rate of the city is expected to increase at a rate similar to Humboldt County as a whole (0.08% per year).
- c. The projected population of Rio Dell will reach 3,696 by 2030, an addition of 324 people.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a. The City of Rio Dell is a disadvantaged community by LAFCo's definition and may have adjacent DUCs.
- b. The communities of Scotia and Stafford, located south of the City of Rio Dell qualify as DUCs⁴¹. Water and wastewater services in Scotia are provided by the Scotia CSD and fire protection is provided by the Scotia Volunteer Fire Department. There is no community water or wastewater system in Stafford.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a. Recent projects conducted by the city to address improvements to the water collection, storage, and distribution system, along with updated water rates, indicate a course towards a sustainable future water system.
- b. Rio Dell's Water System Asset Management Plan and Capital Improvement Plan serves to plan for proactive maintenance of the water system which is critical for providing safe and reliable access to drinking water and protecting public health.

⁴¹ Humboldt County General Plan 2017 Housing Element Attachment J-Legacy Communities

- c. City efforts to address source capacity have increased water supply reliability during emergencies and droughts for Rio Dell and has also increased the city's capacity to serve existing and future development.
- d. Recent projects conducted by the city to address improvements to the wastewater treatment plant along with updated wastewater rates indicate a course toward a sustainable future wastewater system.
- e. The Rio Dell Police Department provides "goodwill response" to the Scotia area even though they are under no obligation to do so and receive no compensation for their service. This goodwill service is not supported by any sustainable revenue source and requires city resources to respond outside of their jurisdictional boundary which adds additional liability and potentially strains city resources.

4) *Financing ability of agencies to provide services*

- a. Based on the City's most recently adopted budget and financial audit, the City of Rio Dell is able to meet its ongoing financial obligations.
- b. Rio Dell utilizes sound fiscal management policies including reserve policies, annual financial audits, and an extensive public budgeting process.

5) *Status of and, opportunities for, shared facilities*

- a. The services provided by the City of Rio Dell are critical to residents of the area. The city collaborates with other public agencies to provide service more efficiently or effectively when possible. This includes collaboration on the following municipal services: fire protection services provided by the Rio Dell FPD, police dispatch services provided by the City of Fortuna, and solid waste services provided by Humboldt Waste Management Authority.
- b. The community of Scotia is located across the Eel River from the City of Rio Dell. The Scotia CSD provides water and wastewater services to the community, and the Scotia Volunteer Fire Company (VFC) provides fire protection services. Proximity of the two communities means that they share social and economic ties and a common interest in the provision of public services and facilities. There is an opportunity for both communities to further coordinate and evaluate shared services and facilities in the future.

6) *Accountability for community service needs, including governmental structure and operational efficiencies*

- a. Rio Dell is governed by a five-member City Council locally elected at large by residents for a term of four years.
- b. The City Council meets on the first and third Tuesdays of each month in the City Council Chambers.
- c. All meetings are open to the public in accordance with the Brown Act and are publicly posted a minimum of 72 hours prior to the meeting on the public bulletin boards located at City Hall, the post office, and the library, and on the city's website.

- d. The City of Rio Dell maintains a website (cityofriodell.ca.gov) where it posts city information, documents, and updates.

7) Any other matter related to effective or efficient service delivery

- a. There are no other matters related to service delivery required by Humboldt LAFCo Policy.
- b. LAFCo staff recommends continued inclusion of the Monument, Dean Creek, and Peninsula areas within the City's SOI, as well as expanding the City's SOI to include the Rio Dell Wastewater Disposal Irrigation Fields Area.
- c. A full SOI Analysis and determinations are provided in Chapter 8.

8.0

SOI ANALYSIS AND DETERMINATIONS

8.1 SOI Analysis

Current Sphere of Influence

The territory within the current SOI includes the Monument Area, the Dean Creek Area, and the Peninsula Area. All three SOI areas are designated by the Humboldt County General Plan as Urban Reserve/Residential Agriculture (UR/RA5-20), which allows for rural residential uses that are expected to develop to urban uses and densities when services are available. Given current land uses and the out of agency water services provided in the Monument area continued inclusion of these areas within the city's SOI is recommended by LAFCo staff.

City Wastewater Disposal Irrigation Fields Area

The total area of this study area is 66 acres. The City of Rio Dell has requested that the city-owned parcel (APN 205-111-039) that is used as a wastewater disposal irrigation field be included in the city's SOI. When designing the study area, LAFCo staff included additional territory (portions of the Highway 101 ROW and the entirety of APN 205-111-032) to create a logical boundary for the SOI which would connect to the city. Given the current ownership and use of the wastewater disposal irrigation fields site, inclusion within the city's SOI is appropriate and therefore recommended by LAFCo staff. Should the city apply to annex this territory into the city limits, it will be subject to rezoning and environmental review by the city and subsequent LAFCo review and analysis.

Green Diamond Resources Company Parcel

The total area of this study area is 42 acres and is adjacent to the Peninsula SOI Area. GDRCo has requested that LAFCo consider including APN 205-031-047 in the Rio Dell SOI. City staff has indicated that they do not support the inclusion of this parcel within the SOI at this time. Given the absence of either existing development or plans for imminent development, and given that the viability of the extension of municipal services to the area has not been fully evaluated, LAFCo staff recommends not including this territory within the city's SOI as part of this SOI Update. Should development plans and discretionary approvals be sought by property owners in the future, a sphere amendment application prior to or in conjunction with an annexation application may be submitted to LAFCo. While an annexation application can be filed by landowner petition, LAFCo prefers that application submittal by agency resolution be used wherever feasible to involve the subject agency early and assure timely consideration of its service needs.

Community of Scotia Area

The City of Rio Dell has indicated an interest in including the town of Scotia area within the Rio Dell SOI. Proximity of the two communities means that they share social and economic ties and a common interest in the provision of public services and facilities. For instance, the Rio Dell Police Department has a mutual aid agreement with the Humboldt County Sheriff's Department and regularly provides "goodwill response" to emergency calls in Scotia. In

addition, Scotia's aging WWTP has implications for Rio Dell, who has expressed concerns of high coliform levels at their water intake facility, which is downstream from the Scotia WWTP. As indicated previously, Scotia CSD has been in discussions with North Coast Regional Water Quality Control Board about permitting a new WWTP and is preparing to submit a planning grant to evaluate the feasibility of building a new WWTP or transferring Scotia's wastewater to Rio Dell's WWTP for treatment and discharge. Additional coordination between the City of Rio Dell and Scotia CSD will be needed for any shared facilities arrangement.

While both communities have shared interests and may continue to develop a more extensive relationship with regard to the provision of shared services and facilities in the future, at this time there is not enough information for LAFCo staff to recommend the Rio Dell SOI be expanded to include Scotia. Generally, LAFCo discourages the existence of overlapping public service responsibilities, which includes overlapping spheres of influence and overlapping territory within the boundary of a city or district that provide the same type of service. The extension of Rio Dell's SOI to include Scotia would require a more in-depth analysis of a potential merger of services for purposes of cost savings and service efficiencies. This is beyond the scope of this MSR and SOI Update; however, the City of Rio Dell may submit a formal application to LAFCo to include Scotia within the City's SOI, or both agencies could submit a joint application for a city merger (i.e., dissolution of Scotia CSD). These processes would require additional analysis and consideration to fully understand whether such an action would advantageously provide for the present and future municipal needs of the communities involved.

8.2 SOI Determinations

1) Present and planned land uses in the area, including agricultural and open-space lands.

- a. The territory within the current SOI is designated by the Humboldt County General Plan as Urban Reserve/Residential Agriculture (UR/RA5-20), which allows for rural residential uses that are expected to develop to urban uses and densities when services are available.
- b. The proposed SOI expansion area (City Wastewater Disposal Irrigation Fields Area) is currently designated Public Facility (PF) and Conservation Floodway (CF) under the most recent Humboldt County General Plan.

2) Present and probable need for public facilities and services in the area.

- a. Currently, the City of Rio Dell provides water services to 24 parcels outside the city boundary. It is believed that most of these parcels have been served prior to January 1, 2001, and are therefore exempt from LAFCo review and approval. Any future proposals to extend services outside the city's boundary would be subject to LAFCo review and approval pursuant to Government Code Section 56133 and Humboldt LAFCo policy. Should additional connections be requested beyond the City's jurisdictional boundary, LAFCo review may be required.
- b. Ample amounts of underdeveloped land within the City and SOI boundary indicate potential for City growth and increased demand. However, population growth

estimates and regional land-use designations indicate that significant development is not anticipated within the next 5-10 years.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a. The current capacity of public facilities provided by the city appears to be adequate to serve current demand.
- b. The city has adequate facilities, personnel, finances, and equipment to meet current and future demands for public services within the next five to ten years.

4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

- a. The communities of Scotia and Stafford may be considered "communities of interest" due to their proximity to the city.
- b. Rio Dell and Scotia share social and economic ties and common interest in the provision of public services and facilities. Further coordination between the two agencies is encouraged to determine if shared municipal services are beneficial to the region's communities.

5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.


- a. The City of Rio Dell is a disadvantaged community by LAFCo standards and may have adjacent DUCs.
- b. Should future annexations or service extensions be proposed, special consideration will be given to any DUCs affected by the annexation consistent with GC §56375(8)(A) and LAFCo Policy.

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: November 6, 2018
☐ Consent Item; ☒ Public Hearing Item

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager

Date: October 23, 2018

Subject: Text Amendment to Establish Vacation Dwelling Unit Regulations, Section 17.30.340 of the Rio Dell Municipal Code (RDMC).

Recommendation:

That the City Council:

1. Open the public hearing, receive staff's report establishing Vacation Dwelling Unit Regulations, Section 17.30.335 of the Rio Dell Municipal Code (RDMC); and
2. Take Public Comment; and
3. Discuss, Deliberate and Make a Motion and a Second; and
4. Find that the proposed amendment has been processed in accordance with Section 17.35.010 of the Rio Dell Municipal Code (RDMC), Sections 65350 – 65362 of the California Government Code and the California Environmental Quality Act (CEQA); and
5. Adopt Ordinance No. 371-2018 recodifying Section 17.30.340 "Yards" to Section 17.30.350 and establishing Vacation Dwelling Unit Regulations, Section 17.30.340 of the Rio Dell Municipal Code (RDMC).

Background

As reported at your meeting of October 2nd, staff was recently contacted by a local resident who was interested in renting out their second unit as a vacation dwelling unit

Again, staff has worked with the Fire Protection District in preparing the draft regulations and has incorporated suggestions by the District.

Staff presented a number of talking points to the Planning Commission and to your Council. Your Council concurred with the recommendations of the Planning Commission, including the elimination of restricted visiting hours. Your Council also directed staff to remove the occupancy limits. Staff has made the recommend changes to Ordinance No. 371-2018.

The text amendment was scheduled for the second reading and adoption at your meeting of October 16, 2018. Councilmember Strahan raised two issues related to the text amendment, including Section 17.30.340(3)(a)(i) and what she believed was staff's omission of the changes recommended at your meeting of October 2, 2018.

In regards to Section 17.30.340(3)(a)(i), Councilmember Strahan questioned the recommendation that Vacation Dwelling Unit permits be ministerial. Below is a copy of the recommended language:

(i) An approved vacation dwelling unit permit shall be obtained prior to operation. Vacation dwelling unit permits shall be ministerial, without discretionary review or a hearing.

Apparently, Councilmember Strahan would like the words "*shall be ministerial, without discretionary review or a hearing*" removed. Staff and the Planning Commission recommend that Vacation Dwelling Unit permits be ministerial and not discretionary. If the permits were discretionary they would have to go through the Conditional Use Permit process and to the Planning Commission. This would cost the applicants approximately \$500 to \$600 in fees and up to four weeks in time before the Planning Commission could consider the permit.

Councilmember Strahan also believed that the Council's recommendation to eliminate visitor hour restrictions and occupancy limits was not incorporated into the Ordinance. The recommended changes were in fact incorporated into the Ordinance that was presented to the Council at your meeting of October 16, 2018.

Occupant limits were originally included in Section 17.30.340(8)(b) and visitation limits were originally included as Section 17.30.340(8)(c). Both provisions were removed as directed by the majority of the Council (Councilmember Johnson dissenting). Below is a redline showing the redaction:

Section 17.30.340(8)(a) & (b)

~~(b) The maximum number of occupants allowed in a vacation dwelling unit shall not exceed 2 persons per bedroom plus an additional 2 persons (e.g. a 2-bedroom unit may have 6 occupants). Children aged 8 and under are not counted toward the occupancy total.~~

~~(c) The total number of visitors and occupants at a vacation dwelling unit shall not exceed a number greater the double the maximum number of occupants (e.g. a 2-bedroom unit with a 6 occupant limit, may have a total of 12 people at one time).~~

At the meeting of October 16, 2018, Councilmember Johnson again raised his concerns regarding the elimination of occupant limits and visitor hour restrictions and the possible impacts to the neighborhood in which the vacation dwelling unit is located.

Zone Reclassification Required Findings:

1. The proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected.

General Plan Policy LU-17 calls for the City to “Strengthen and diversify the local economy and maintain and improve property values”. The proposed amendment can help the local economy by providing visitor serving accommodations which will hopefully stimulate other local businesses. In addition, the proposed amendments will generate some Transient Occupancy Taxes. There are no General Plan policies that would discourage or prohibit the proposed amendments. The proposed amendments are consistent and compatible with the General Plan.

2. The proposed amendments have been processed in accordance with the California Environmental Quality Act (CEQA).

The primary purpose of the California Environmental Quality Act (CEQA) is to inform the decision makers and the public of potential environmental effects of a proposed project.

Based on the nature of the project, staff has determined that the project is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a *significant* effect on the environment. Where it can be seen with certainty that there is no possibility that the project in question may have a significant effect on the environment, the project is not subject to CEQA. Based on the nature of the proposed amendments, staff

believes there is no evidence to suggest that the amendments will have a significant effect on the environment.

Attachments:

Attachment 1: Ordinance No. 371-2018 Establishing a Vacation Dwelling Unit regulations.

Attachment 2: Vacation Dwelling Unit Permit Application.

ORDINANCE NO. 371-2018



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL TO RECODIFY
SECTION 17.30.340 "YARDS" TO SECTION 17.30.350 AND ESTABLISHING
VACATION DWELLING UNIT REGULATIONS AS SECTION 17.30.340 OF THE RIO
DELL MUNICIPAL CODE (RDMC) AND**

WHEREAS staff was recently contacted by a local resident who was interested in renting out their second unit as a vacation dwelling unit; and

WHEREAS these types of units are known as Air B&B's. Vacation dwelling units are different than Bed and Breakfasts because the owner/operator does not have to reside in the residence; and

WHEREAS staff has worked with the Fire Protection District in preparing the draft regulations and has incorporated suggestions by the District; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Sections 65350 – 65362 of the California Government Code; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Section 17.35.010 of the City of Rio Dell Municipal Code; and

WHEREAS the City Council finds that based on evidence on file and presented in the staff report that the proposed amendments are consistent and compatible with a comprehensive view of the General Plan and any implementation programs that may be affected; and

WHEREAS the City Council finds that based on evidence on file and presented in the staff report that the potential impacts of the proposed minor amendments have been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and

WHEREAS the proposed amendments have been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

WHEREAS the City Council has determined that the proposed amendments are Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Rio Dell:

1. Finds that the proposed amendments are in the public interest and consistent with an overall comprehensive view of the General Plan; and
2. Finds that based on evidence on file and presented in the staff report that the potential impacts of the proposed amendments have been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and
3. Finds that based on the nature of the proposed amendments, the project is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a *significant* effect on the environment; and
4. Approves and adopt Ordinance No. 371-2018 establishing Vacation Dwelling Unit Regulations, Section 17.30.335 of the Rio Dell Municipal Code (RDMC).

BE IT FURTHER RESOLVED, that the City Council of the City of Rio Dell does hereby ordain as follows:

Section 1

Section 17.30.340 "Yards" is recodified as Section 17.30.350.

Section 2

§ 17.30.340 VACATION DWELLING UNITS

(1) Purpose and Intent.

The purpose and intent of the vacation dwelling unit regulations are:

- (a) To provide the opportunity for vacation rentals for transient use within Urban Residential (UR), Suburban Residential (SR), Suburban (S) and Rural (R) zones.
- (b) To regulate the location and number of vacation dwelling units within Rio Dell.

- (c) To mitigate impacts on parking by requiring the use of existing off-street parking facilities.
- (d) To protect the visual appearance and character of residential zones.
- (e) To minimize disruptions to surrounding neighborhoods.
- (f) To ensure that all vacation dwelling units are operating with valid business licenses and paying all applicable taxes and fees.

(2) Definitions.

For the purposes of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- (a) "Good Guest Guide" means a document provided to occupants by the property owner that summarizes general rules of conduct, consideration, respect, and potential remedial actions. In particular provisions, for parking, occupancy limits, emergency response, and minimizing noise and quiet hours shall be included.
- (b) "Occupant" means a person in possession of, or with the right to use, any public or private dwelling or lodging for sleeping purposes. As used in this chapter, an occupant is a person sleeping overnight at a vacation rental unit.
- (c) "Property" means a parcel of land in its entirety, including all structures within the parcel boundaries.
- (d) "Transient Use" means any contractual use of a dwelling or portion thereof for residential or sleeping purposes by an occupant, for any period of time which is less than 30 consecutive days.
- (e) "Vacation Dwelling Unit" means an entire dwelling which is contracted for transient use. The dwelling shall provide complete independent living facilities for 1 or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation. A vacation dwelling unit is differentiated from a lodging house or Bed and Breakfast Inn in that a vacation dwelling unit is rented in its entirety, whereas lodging houses and Bed and Breakfast Inns rent individual rooms. Bed and Breakfast Inns go further by having a full time resident inhabiting the dwelling unit, and may provide 1 or more meals to occupants.
- (f) "Visitor" means a guest of an occupant visiting temporarily at a vacation dwelling unit, but not an overnight "occupant."

(3) Permits, Application Requirements, Fees, Inspection and Notice Requirements.

(a) Permits.

(i) An approved vacation dwelling unit permit shall be obtained prior to operation. Vacation dwelling unit permits shall be ministerial, without discretionary review or a hearing.

(ii) Individual properties with multiple vacation dwelling units need only acquire a single vacation dwelling unit permit; however, property owners adding a new vacation dwelling unit to an existing permit shall be required to reapply for a vacation dwelling unit permit.

(iii) Vacation dwelling unit permits shall be subject to annual review and no-fee renewal by the Department of Community Development.

(iv) A vacation dwelling unit permit shall lapse and become void by July 31st of each year unless the business license for the vacation dwelling unit is renewed and in good standing, all applicable taxes and fees are paid, and there are no outstanding Police, Fire, or Building Department violations.

(v) If a vacation dwelling unit permit lapses, a new vacation dwelling unit permit shall be required.

(vi) Unless a lapse occurs pursuant to division (a)(iii) above, approval of a vacation dwelling unit permit shall run with the land and shall be fully transferable to a new property owner provided the new property owner obtains a business license within 2 months of the purchase of the property.

(b) Application Requirements.

(i) Applications for vacation dwelling unit permits shall be filed with the Community Development Director on forms provided by the Department.

(ii) Each vacation dwelling unit applicant shall designate a local emergency contact person on the application form, including a 24-hour-emergency contact phone number. That person may be the property owner, property manager, or designee, and that person shall live within 30 miles of the city limits so that he or she can respond personally to an emergency. The Development Services Department shall forward the emergency contact phone number to the Police Department and Rio Dell Fire Protection District, and shall notify the property owners within 100 feet of the property. The property owner shall immediately notify the Community Development Department in writing of any changes to the designated emergency contact person or number.

(c) Fees.

(i) Vacation dwelling unit permit applications shall be accompanied by fees established by resolution of the City Council to cover the cost of processing the application, noticing, and

inspections as prescribed in this subchapter. Existing vacation dwelling units in operation prior to the effective date of this subchapter shall not be subject to the vacation dwelling unit permit fee, provided the unit has a history of operating with a valid business license and has paid all applicable taxes.

(d) Inspections.

(i) All vacation dwelling units shall be inspected by the Building Department and the Rio Dell Fire Protection District for the required smoke alarms, carbon monoxide alarms, fire extinguishers (Type 2A10BC every 75 feet of travel distance, mounted in a conspicuous location, along the path of egress from the highest hazard area (i.e kitchen or laundry rooms)) and emergency egress prior to the approval of the required Business License.

(ii) Additional inspections may be required at the discretion of the Chief Building Official. The cost of any required inspection shall be borne by the vacation dwelling unit owner.

(e) Notice.

(i) Within 5 days of the approval or conditional approval of a vacation dwelling unit permit by the Director, written notice shall be mailed to the applicant and to all property owners within 100 feet of the vacation dwelling unit property.

(ii) The notice shall include the 24-hour emergency contact number for the vacation dwelling unit, and the procedure to appeal.

(4) Appeals.

(a) Except as provided in division (b) of this section, within 30 days following the decision of the Director on a vacation dwelling unit permit application, the decision may be appealed to the Planning Commission by the applicant or any property owner located within 100 feet of the vacation dwelling unit property. An appeal shall be filed with the City Clerk and state specifically wherein it is claimed there was an error or abuse of discretion by the Director. Notice of the date, time and place of an appeal to the Planning Commission shall be provided to all property owners located within 100 feet of the vacation dwelling unit property at least 10 days prior to the appeal meeting.

(b) The decision of the Director to deny the annual permit renewal may be appealed to the Planning Commission solely by the applicant. The appeal must be filed within 10 days of the date of denial.

(5) Business License Required.

Following the approval of a vacation dwelling unit permit, the property owner or vacation dwelling unit manager shall obtain a Business License before commencing operations. Property

owner or managers with multiple vacation dwelling units or properties need only acquire a single business license.

(6) Existing Vacation Dwelling Units; Permit Required.

Existing vacation dwelling units shall apply for a permit within 6 months of the effective date of this subchapter, and diligently pursue until approved to avoid abatement action.

(7) Development Standards.

All vacation dwelling units shall comply with the following development standards.

(a) Vacation dwelling units are principally permitted in the Urban Residential (UR), Suburban Residential (SR), Suburban (S) and Rural (R) zones.

(b) A vacation dwelling unit may either be a principal dwelling or a legally established secondary dwelling unit.

(c) A newly constructed vacation dwelling unit shall comply with the development standards and building requirements for residential dwellings, and may be operated as a vacation dwelling unit only after the Building Department has issued a certificate of occupancy for the dwelling unit.

(d) All vacation dwelling units shall have smoke alarms, carbon monoxide alarms and a fire extinguisher. Carbon Monoxide alarms are not required in dwellings which do not contain fuel-burning appliances and that do not have an attached garage.

(e) Existing off-street parking spaces shall be reserved for occupants of the vacation dwelling unit. Occupants shall be encouraged to park in existing, legal off-street parking spaces, in order to minimize impacts to on-street parking.

(f) The existence of the vacation dwelling unit shall not be apparent. The vacation dwelling unit shall not change the residential or commercial character of the property or neighborhood by the use of colors, materials, or lighting.

(8) Operation

(a) Vacation dwelling units shall not be permitted for any use other than transient occupancy or residential use.

(b) All vacation dwelling units shall be provided weekly garbage collection services. Trash and refuse shall not accumulate or be stored within public view, except in proper containers for the purposes of collection. There shall be no storage of trash and/or debris on the site or within the unit.

(c) Emergency preparedness information regarding local hazards, such as earthquakes and ocean related hazards, in a form approved by the city, shall be posted within the vacation rental in an easily visible location, such as the entry or kitchen area.

(d) The Good Guest Guide (House Rules) and the 24-hour emergency contact phone number shall be prominently placed for the occupants' use inside the vacation dwelling unit.

(e) In the event of an emergency, concerned persons are encouraged to promptly call the emergency contact number, and if appropriate, report the emergency through the 911 emergency calling system or the Police Department. It is unlawful to make a false report or complaint regarding activities associated with a vacation dwelling unit.

(f) The property owner and emergency contact shall act in good faith to resolve complaints regarding the vacation dwelling unit, and engage in dispute resolution with neighbors. The Community Development Department and/or Police Department shall investigate any vacation dwelling unit with recurrent emergency calls or complaints.

(g) If the vacation dwelling unit owner or emergency contact is deemed to be negligent in responding to an emergency situation more than 2 times in a 12-month period, or if more than 2 documented law enforcement violations occur in any 12-month period, the vacation dwelling unit permit may be revoked. The Director of Community Development may also revoke a permit if the vacation dwelling unit is deemed chronically non-compliant with the provisions of this chapter, or is negligent or remiss in correcting noted Building or Fire Code violations or issues. Documented, significant violations may include copies of citations, written warnings, or other documentation maintained by law enforcement, Fire Department, or Building Department.

(h) Properties with gated entries shall have a Fire Department approved device such as a Knox box with keys for the lock, Knox lock, or Knox key actuated switch on electric gates installed which permits emergency response vehicles and personnel to enter the property.

(i) Each individual holding a valid business license for a vacation dwelling unit existing at the time the vacation dwelling unit ordinance is adopted, shall be subject to the requirements of this subchapter upon its effective date. In order to avoid abatement proceedings, the owner of an existing vacation dwelling unit shall apply for a vacation dwelling unit and permit and City of Rio Dell business license permit within 6 months of the effective date of this chapter, and diligently pursue the application unit approved.

(j) Violations of this chapter are punishable as either infractions or misdemeanors, pursuant to the provisions of Rio Dell Municipal Code. Each separate day in which a violation exists shall be considered a separate violation.

(9) Applicable Taxes.

The rental or other contractual use of a vacation dwelling unit shall be subject to a Transient Occupancy Tax ("TOT") and any other mandated taxes. Each vacation dwelling unit owner and/or manager shall comply with § 3.15 of the Rio Dell Municipal Code, which addresses the collection, record keeping, reporting and remittances of applicable TOT.

Section 3. Severability

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 4. Limitation of Actions

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 5. CEQA Compliance

The City Council has determined that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA), subject to Section 15061(b)(3) of the CEQA Guidelines. Due to the nature of the proposed code revisions, there is no evidence that any significant impact to the environment would occur as a result of adoption of the Ordinance.

Section 6. Effective Date

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

I HEREBY CERTIFY that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on October 2, 2018 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the November 6, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 371-2018 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on November 6, 2018.

Karen Dunham, City Clerk, City of Rio Dell

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



VACATION DWELLING UNIT APPLICATION

Please complete the information below and return the application with the required fees. If you have any questions, please do not hesitate to contact the City.

Property Owner	Applicant
Name: _____	Name: _____
Mailing Address: _____	Mailing Address: _____
City: _____ St: _____ Zip: _____	City: _____ St: _____ Zip: _____
Phone: _____	Phone: _____
Email: _____	Email: _____

Vacation Dwelling Unit Location

Address: _____

Assessor Parcel No. _____

Emergency 24 Hour Contact

Vacation Dwelling Unit Information

Name: _____

Number of On-Site Parking Spaces: _____

Mailing Address: _____

Number of Bedrooms: _____

City: _____ St: _____ Zip: _____

Smoke Alarms: ☐ Yes ☐ No

Home Phone: _____

Carbon Monoxide Alarms: ☐ Yes ☐ No

Cell Phone: _____

Fire Extinguisher: ☐ Yes ☐ No

Email: _____

Type of Fire Extinguisher¹: _____

¹ A Type 2A10BC every 75 feet of travel distance, mounted in a conspicuous location, along the path of egress from the highest hazard area (i.e. kitchen or laundry room)

Good Guest Guide

A "Good Guest Guide" shall be provided to the occupants and a copy to the City. The Good Guest Guide shall identify the Emergency 24 Contact person and house rules, including maximum occupants, quiet hours.

Fees

Inspection & Notice Fee: \$75.00	Business License: <input type="checkbox"/> \$34.00 – A <input type="checkbox"/> \$64.00 – B
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Business License fee are based on anticipated income of business. Class A Business Licenses have yearly gross receipts between \$500 and \$30,000. Class B Business Licenses have yearly gross receipts over \$30,000.

Applicable Taxes.

The rental or other contractual use of a Vacation Dwelling Unit shall be subject to a Transient Occupancy Tax ("TOT") and any other mandated taxes. Each vacation dwelling unit owner and/or manager shall comply with § 3.15 of the Rio Dell Municipal Code, which addresses the collection, record keeping, reporting and remittances of applicable TOT.

Owner's Authorization

I hereby authorize the City of Rio Dell to process this application. I have completed or reviewed this application and the Vacation Dwelling Unit Regulations, Section 17.30.335 of the Rio Dell Municipal Code. I declare under penalty of perjury, that the information contained herein is true and correct. I agree to hold harmless, indemnify and defend the City, its officers, officials, employees, and volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of or in connection with this application.

Property Owner's Signature: _____ Date: _____

Staff Use

Receipt No: _____ Received By: _____ Date: _____

NOTES: _____
